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HANVEY GROUP HOLDINGS LIMITED

恆偉集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8219)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

The board (the “**Board**”) of directors (the “**Directors**”) of HANVEY GROUP HOLDINGS LIMITED (the “**Company**”) is pleased to announce the unaudited third quarterly results of the Company and its subsidiaries for the nine months ended 30 September 2020. This announcement, containing the full text of the 2020 Third Quarterly Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcements of third quarterly results.

By order of the Board

HANVEY GROUP HOLDINGS LIMITED

Cheuk Sin Cheong Clement

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 12 November 2020

As at the date of this announcement, the Executive Directors are Mr. Cheuk Sin Cheong Clement and Ms. Au Corona Ching Mei M.H. and the Independent Non-executive Directors are Mr. Yu Sau Ning Homer M.H., Mr. Zhao Zhipeng, Ms. Yee Wai Fong Wendy and Dr. Liu Ngai Wing.

This announcement, for which the Directors 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 Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.hanveygroup.com.hk.

HANVEY GROUP HOLDINGS LIMITED

恆偉集團控股有限公司

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

Stock Code 股份代號 : 8219



2020

Third Quarterly Report
第三季度報告

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

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

Given that the companies listed on the GEM are generally small and mid-sized companies, there is a risk that securities traded on the 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 the GEM.

Hong Kong Exchange and Clearing Limited and the Stock Exchange take no responsibility for the contents of this quarterly report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this quarterly report.

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

香港聯合交易所有限公司(「聯交所」) GEM 的特色

GEM 的定位乃為中小型公司提供一個上市的市場，此等公司相比起其他在聯交所上市的公司帶有較高投資風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。

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

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

本季度報告的資料乃遵照聯交所 GEM 證券上市規則(「GEM 上市規則」)而刊載，旨在提供有關恆偉集團控股有限公司(「本公司」)之資料，本公司董事(「董事」)願就本季度報告的資料共同及個別承擔全部責任。各董事經作出一切合理查詢後，確認就彼等所知及所信，本季度報告所載資料在各重要方面均屬準確完備，沒有誤導或欺詐成分，且並無遺漏任何事項，足以令致本季度報告或其所載任何陳述產生誤導。

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Summary

概要

- Revenue for the nine months ended 30 September 2020 amounted to approximately HK\$89.45 million (nine months ended 30 September 2019: approximately HK\$137.84 million), representing a decrease of approximately 35.11% as compared with that for the corresponding period.
 - Loss attributable to owners of the Company for the nine months ended 30 September 2020 amounted to approximately HK\$13.68 million (nine months ended 30 September 2019: approximately HK\$2.09 million).
 - Basic loss per share for the nine months ended 30 September 2020 amounted to approximately HK1.37 cent (nine months ended 30 September 2019: HK0.21 cent).
- 截至2020年9月30日止九個月的收益約為89.45百萬港元（截至2019年9月30日止九個月：約137.84百萬港元），相較去年同期減少約35.11%。
 - 截至2020年9月30日止九個月，本公司擁有人應佔虧損約為13.68百萬港元（截至2019年9月30日止九個月：約2.09百萬港元）。
 - 截至2020年9月30日止九個月，每股基本虧損約為1.37港仙（截至2019年9月30日止九個月：為0.21港仙）。

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Unaudited) 簡明綜合損益及其他全面收益表(未經審核)

The board of directors (the “**Board**”) of the Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the three months and nine months ended 30 September 2020 together with the comparative unaudited figures for the corresponding period in 2019, as follows:

本公司董事會(「**董事會**」)謹此宣佈，本公司及其附屬公司(統稱「**本集團**」)截至2020年9月30日止三個月及九個月的未經審核簡明綜合業績以及2019年同期的未經審核比較數字如下：

		Notes 附註	Three months ended 30 September 截至9月30日止三個月		Nine months ended 30 September 截至9月30日止九個月	
			2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)
Revenue	收益	3	43,588	53,242	89,450	137,838
Cost of sales	銷售成本		(32,517)	(32,528)	(66,401)	(94,819)
Gross profit	毛利		11,071	20,714	23,049	43,019
Other income, gains and losses	其他收入、收益及虧損		(71)	271	1,151	83
Selling and distribution expenses	銷售及分銷開支		(755)	(1,692)	(2,550)	(4,166)
Administrative expenses	行政開支		(10,146)	(12,873)	(31,688)	(37,250)
Finance costs	財務成本		(1,390)	(880)	(3,638)	(2,896)
Profit (loss) before taxation	除稅前溢利(虧損)	5	(1,291)	5,540	(13,676)	(1,210)
Income tax expenses	所得稅開支	6	–	(805)	–	(882)
Profit (loss) for the period	期內溢利(虧損)		(1,291)	4,735	(13,676)	(2,092)
Other comprehensive income	其他全面收入					
Exchange differences arising on translation	換算產生的匯兌差額		2,343	651	2,925	1,004
Other comprehensive loss for the period, net of tax	期內其他全面虧損，扣除稅項		2,343	651	2,925	1,004
Total comprehensive income (loss) for the period	期內全面收入(虧損)總額		1,052	5,386	(10,751)	(1,088)
Profit (loss) for the period attributable to:	應佔期內溢利(虧損)：					
Owners of the Company	本公司擁有人		(1,291)	4,735	(13,676)	(2,092)
Total comprehensive income for the period attributable to:	應佔期內全面收入總額：					
Owners of the Company	本公司擁有人		1,052	5,386	(10,751)	(1,088)
Earning (loss) per share – basic and diluted	每股盈利(虧損) – 基本及攤薄	8	HK(0.13) cent 港仙	HK0.47 cent 港仙	HK(1.37) cent 港仙	HK(0.21) cent 港仙

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Exchange reserves 匯兌儲備 HK\$'000 千港元	Other reserves 其他儲備 HK\$'000 千港元	Retained earnings 保留盈利 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Balance at 31 December 2018 (audited)	於2018年12月31日的 結餘(經審核)	10,000	42,344	(515)	1,000	24,233	77,062
Loss for the period	期內虧損	-	-	-	-	(2,092)	(2,092)
Other comprehensive loss	其他全面虧損	-	-	1,004	-	-	1,004
Total comprehensive loss	全面虧損總額	-	-	1,004	-	(2,092)	(1,088)
Balance at 30 September 2019 (unaudited)	於2019年9月30日的 結餘(未經審核)	10,000	42,344	489	1,000	22,141	75,974
Balance at 31 December 2019 (audited)	於2019年12月31日的 結餘(經審核)	10,000	42,344	(52)	1,000	9,685	62,977
Loss for the period	期內虧損	-	-	-	-	(13,676)	(13,676)
Other comprehensive income	其他全面收入	-	-	2,925	-	-	2,925
Total comprehensive income (loss)	全面收入(虧損)總額	-	-	2,925	-	(13,676)	(10,751)
Balance at 30 September 2020 (unaudited)	於2020年9月30日的 結餘(未經審核)	10,000	42,344	2,873	1,000	(3,991)	52,226

Notes:

- Pursuant to a resolution in writing passed by all the shareholders of the Company on 20 June 2018, the authorised share capital of the Company was increased from HK\$380,000 to HK\$10,000,000 by the creation of additional 9,962,000,000 shares. Pursuant to the capitalisation issue of the Company passed by all the shareholders of the Company on 20 June 2018, additional 749,999,999 shares were allotted and issued to Million Easy Enterprises Ltd on 20 June 2018.
- The Company was successfully listed on the GEM of the Stock Exchange on 12 July 2018 by way of share offer of 25,000,000 public offer share and 225,000,000 placing shares respectively at the offer price of HK\$0.25 per share, the net proceeds after deducting the listing fee were approximately HK\$34,470,000.

附註:

- 根據本公司全體股東於2018年6月20日通過的書面決議案，本公司通過增設9,962,000,000股股份將法定股本由380,000港元增至10,000,000港元。根據本公司全體股東於2018年6月20日通過的本公司之資本化發行，萬宜集團有限公司於2018年6月20日獲額外配發及發行749,999,999股股份。
- 2018年7月12日，本公司通過以每股股份0.25港元的發售價分別發售25,000,000股公開發售股份及225,000,000股配售股份成功於聯交所GEM上市，已扣除上市費用的所得款項淨額約為34,470,000港元。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

For the nine months ended 30 September 2020 截至2020年9月30日止九個月

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 12 June 2017 as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company is located at Units 3, 5 and 6, 15th Floor, Tower One, Ever Gain Plaza, No. 88 Container Port Road, Kwai Chung, New Territories, Hong Kong. Its ultimate holding company and immediate holding company is Million Easy Enterprises Limited, a company incorporated in the British Virgin Islands.

The Company is an investment holding company and its subsidiaries are principally engaged in design and development, manufacturing and distribution of watch products on original design manufacturing (“ODM”) basis for watch manufacturers, brand owners and watch importers across the globe.

The shares of the Company have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 12 July 2018 (the “Listing Date”).

The unaudited condensed consolidated financial statements are presented in (“HK\$” or “HKD”) which is also the functional currency of the Company and its subsidiaries. All values are rounded to the nearest thousand (“HK\$’000”), except where otherwise indicated.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This unaudited condensed consolidated quarterly financial statements for the nine months ended 30 September 2020 are prepared in accordance with Hong Kong Financial Reporting Standard (“HKFRSs”) which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standards and interpretations issued by the Hong Kong Institutes of Certified Public Accountants (“HKICPA”). The unaudited condensed consolidated financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the GEM Listing Rules.

This quarterly report does not include all the notes of the type normally included in an annual financial report. Accordingly, this quarterly report is to be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2019 (the “2019 Financial Statements”).

The accounting policies adopted are consistent with those of the financial statement for the year ended 31 December 2019, as described in the Accountant’s Report. The adoption of the new and revised HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the results and financial position of the Group.

1. 公司資料

本公司於2017年6月12日在開曼群島根據開曼群島公司法第22章(1961年第3號法例，經綜合及修訂)註冊成立為獲豁免有限公司。本公司註冊辦事處位於Cricket Square, Hutchins Drive PO Box 2681, Grand Cayman KY1-1111, Cayman Islands，主要營業地點位於香港新界葵涌貨櫃碼頭路88號永得利廣場一期15樓3、5及6室。其最終控股公司及直屬控股公司為萬宜集團有限公司(在英屬維爾京群島註冊成立的公司)。

本公司為投資控股公司，其附屬公司主要從事按原設計製造(「ODM」)基準為全球手錶製造商、品牌擁有人及手錶進口商設計及開發、製造及分銷手錶產品。

2018年7月12日(「上市日期」)，本公司股份於香港聯合交易所有限公司(「聯交所」)GEM上市。

未經審核簡明綜合財務報表以(「港元」)呈列，港元亦為本公司及其附屬公司的功能貨幣。除非另有指示，否則所有金額均約整至最接近的千位數(「千港元」)。

2. 編製基準及會計政策

本截至2020年9月30日止九個月的未經審核簡明綜合季度財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)編製，包括各項適用的香港財務報告準則、香港會計準則及詮釋。未經審核簡明綜合財務報表亦包括香港公司條例及GEM上市規則所規定的適用披露資料。

本季度報告不包括一般載於年度財務報告的所有附註。因此，本季度報告須與本集團截至2019年12月31日止年度的經審核財務報表(「2019年財務報表」)一併閱讀。

已採用的會計政策與會計師報告所述截至2019年12月31日止年度財務報表所採用者相同。採用與本集團有關及自本期間起生效的新訂及經修訂香港財務報告準則對本集團業績及財務狀況並無重大影響。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

3. REVENUE AND SEGMENT INFORMATION

Information reported to the chief executive officer of the Company, being the chief operating decision makers (“CODMs”) for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. The Group currently operates in the manufacturing and trading business of watches. A single management team reports to the CODMs who comprehensively manages the entire business. Accordingly, the Group does not have separate reportable segments.

Geographical information

The Group’s revenue is mainly derived from customers located in the Indonesia, India, Brazil, Hong Kong and Saudi Arabia. The Group’s revenue by the geographical location of the customers, determined based on the location to which the Group bills the customers, is detailed below:

3. 收益及分部資料

向本公司行政總裁即主要營運決策者（「主要營運決策者」）呈報以作資源分配及分部表現評估的資料乃集中於所交付或提供貨品或服務種類。本集團目前經營手錶製造及買賣業務。單一管理層團隊向全面掌管整體業務的主要營運決策者匯報。因此，本集團並無獨立可報告分部。

地理資料

本集團的收益主要來自印尼、印度、巴西、香港及沙特阿拉伯的客戶。本集團按客戶地理位置（根據本集團發出發票的客戶地點釐定）劃分的收益詳情如下：

		Three months ended 30 September 截至9月30日止三個月		Nine months ended 30 September 截至9月30日止九個月	
		2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)
Hong Kong	香港	1,520	3,118	16,801	10,575
Brazil	巴西	2,812	7,228	10,921	16,265
India	印度	5,879	3,005	6,991	17,843
Saudi Arabia	沙特阿拉伯	3,287	3,091	6,232	9,219
Indonesia	印尼	22,995	27,498	32,404	59,964
Australia	澳大利亞	1,445	1,487	1,791	3,041
Turkey	土耳其	1,038	146	1,038	1,417
Bangladesh	孟加拉國	502	629	502	2,849
UAE	阿聯酋	593	1,099	1,944	2,887
Others (Note)	其他(附註)	3,517	5,941	10,826	13,778
		43,588	53,242	89,450	137,838

Note: Other geographical locations are mainly located in Germany, Switzerland, Britain and Colombia.

附註：其他地理位置主要位於德國、瑞士、英國及哥倫比亞。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

4. REVENUE

4. 收益

		Three months ended 30 September 截至9月30日止三個月		Nine months ended 30 September 截至9月30日止九個月	
		2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)
Finished watches	手錶成品	36,803	41,905	71,058	96,196
SKD kits	散件套件	6,717	10,688	16,712	39,320
Watch parts	手錶零件	68	649	1,680	2,322
		43,588	53,242	89,450	137,838

5. LOSS BEFORE TAXATION

5. 除稅前虧損

		Three months ended 30 September 截至9月30日止三個月		Nine months ended 30 September 截至9月30日止九個月	
		2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	57	1,069	2,089	3,430

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

6. INCOME TAX

6. 所得稅

		Three months ended 30 September 截至9月30日止三個月		Nine months ended 30 September 截至9月30日止九個月	
		2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)	2020 2020年 HK\$'000 千港元 (unaudited) (未經審核)	2019 2019年 HK\$'000 千港元 (unaudited) (未經審核)
Tax charge comprises:	稅項開支包括：				
Current tax	即期稅項				
– Hong Kong Profits Tax	– 香港利得稅	–	878	–	878
– PRC EIT	– 中國企業所得稅	–	(73)	–	4
		–	805	–	882

Hong Kong profits tax has been provided for at 16.5% on the estimated assessable profit for the nine months ended 30 September 2020 and 2019.

香港利得稅乃根據截至2020年及2019年9月30日止九個月的估計應課稅溢利按16.5%的稅率計提撥備。

The subsidiaries of the Company established in the PRC are subject to the PRC Enterprise Income Tax (“EIT”). EIT has been provided at the rate of 25% on the estimated assessable profits arising in the PRC for the nine months ended 30 September 2020 and 2019. No provision for EIT has been made for prior period as the Group has no assessable profit arising in the PRC.

本公司於中國成立的附屬公司須繳納中國企業所得稅(「企業所得稅」)。企業所得稅乃根據截至2020年及2019年9月30日止九個月於中國所得的估計應課稅溢利按25%的稅率計提撥備。由於本集團並無於中國產生應課稅溢利，故過往期間並無就企業所得稅計提撥備。

7. DIVIDEND

The Board decided not to declare any dividend for the nine months ended 30 September 2020 (2019: Nil).

7. 股息

董事會決定不宣派截至2020年9月30日止九個月的股息(2019年：零)。

8. LOSS PER SHARE

The calculation of loss per share for the nine months ended 30 September 2020 and 30 September 2019 are based on the loss for the period attributable to equity owners of the Company of approximately HK\$13.68 million and HK\$2.09 million respectively, and on the basis of 1,000,000,000 shares of the Company in issue, being the number of shares in issue immediately after the completion of listing as described in the session headed “Share Capital” of the Prospectus, as if these shares had been issued throughout the period.

8. 每股虧損

截至2020年9月30日及2019年9月30日止九個月的每股虧損乃根據本公司權益擁有人應佔期內虧損分別約13.68百萬港元及2.09百萬港元及基於本公司已發行的1,000,000,000股股份(即招股章程「股本」一節所述緊隨上市完成後的已發行股份數目)計算，猶如該等股份於有關期間已發行。

Diluted earnings per share were same as the basic loss per share as there were no potential dilutive ordinary shares in existence during the period.

由於在有關期間並無潛在攤薄普通股，故每股攤薄盈利與每股基本虧損相同。

Notes to the Condensed Consolidated Financial Statements

簡明綜合財務報表附註

9. RELATED PARTY TRANSACTIONS

During the reporting period, the Group entered into related parties transactions:

Name of related parties 關聯方名稱	Notes 附註	Nature of transaction 交易性質
Recurring: 經常性：		
Mr. Cheuk Sin Cheong, Clement ("Mr. Cheuk") 卓善章先生(「卓先生」)	(b)	Rental expense 租金開支
Smart Hill Enterprises Limited ("Smart Hill") 慧傑企業有限公司(「慧傑」)	(a)	Rental income 租金收入

Notes:

- (a) Smart Hill is connected person which is wholly-owned by the close relative of a Director.
- (b) Mr. Cheuk, a Director of the Company.

9. 關聯方交易

本集團於報告期訂立以下關聯方交易：

Nine months ended 30 September
截至9月30日止九個月

2020 2020年 HK\$'000 千港元	2019 2019年 HK\$'000 千港元
540	540
117	129

附註：

- (a) 慧傑為關連人士(由董事的近親全資擁有)。
- (b) 卓先生，本公司的一名董事。

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

Hanvey Group Holdings Limited (the “**Company**”), and its subsidiaries (collectively refer to as the “**Group**”) are principally engaged in design and development, manufacturing and distribution of watch products on original design manufacturing basis for watch manufacturers, brand owners and watch importers across the globe.

The Group derives revenue mainly from the sale of: (i) finished watches, (ii) semi-knocked-down kit, and (iii) watch parts.

For the nine months ended 30 September 2020 (the “**Period**”), the Group’s revenue amounted to approximately HK\$89.45 million, decreased by approximately 35.11% when compared with that for the corresponding period of 2019. The decrease was primarily due to the global outbreak of the novel coronavirus (COVID-19). As the pandemic is getting better in Asia area, our goods delivery to our customers is gradually recovering.

According to the Hong Kong Trade Development Council’s (“**HKTDC**”) research report entitled “HKTDC Export Index 3Q20: Exporter Confidence Rallies Moderately While Spectre of Covid-19 Still Looms Large” dated 14 September 2020, the HKTDC Export Index rose by a further 6.9 points to 25.1 in the third quarter of 2020, the second consecutive quarter to record an increase. This increase suggests that the exporter sentiment may be improved slightly after its record-low of 16.0 in the first quarter of 2020. As the overall figure still stayed firmly in the contractionary territory, however it is likely that times will remain relatively tough for Hong Kong’s exporters over the near-term.

In line with this moderate uptick in sentiment, exporters across all the major sectors proved slightly more optimistic over the past three months. Improved sentiment was evident in the case of timepieces (e.g. finished watches, watch parts etc.) (up by 8.6 points to 21.6).

According to the HKTDC research report, of those that had been affected, 60.5% of the respondents indicated that buyers ordering less was the key challenge, while 22.0% reported difficulties in contacting overseas buyers/suppliers, and 19.2% had orders cancelled. With quarantine measures being gradually relaxed, however, fewer exporters reported distribution problems (17.7% – down from 53.1% in the second quarter of 2020) or delayed shipments (9.1% – down from 55.8% in the second quarter of 2020).

業務回顧

恆偉集團控股有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)主要從事按原設計製造基準為全球手錶製造商、品牌擁有人及手錶進口商設計及開發、製造及分銷手錶產品。

本集團主要自銷售(i)手錶成品；(ii)散件套件；及(iii)手錶零件獲取收益。

截至2020年9月30日止九個月(「**報告期間**」)，本集團的收益約為89.45百萬港元，較2019年同期減少約35.11%，主要是由於新型冠狀病毒(COVID-19)全球爆發所致。由於亞洲疫情好轉，故我們逐漸恢復向客戶交付商品。

根據香港貿易發展局(「**香港貿發局**」)於2020年9月14日的「2020年第三季香港貿發局出口指數：出口信心輕微改善但疫情陰霾揮之不去」研究報告，香港貿發局出口指數於2020年第三季上升6.9點至25.1，連續第二季上升，顯示出口商情緒於2020年第一季跌至16.0的紀錄低位之後有輕微改善。不過，指數仍然深陷收縮領域，可見香港出口商前景於短期內仍然荊棘滿途。

隨著出口信心的輕微改善，過去3個月所有主要行業的出口商都稍為樂觀。鐘錶業(如手錶成品、手錶零件)(上升8.6點至21.6)的情緒明顯改善。

根據香港貿發局研究報告，在受疫情影響的受訪者中，60.5%表示，主要挑戰是買家減少訂貨量。22.0%則表示，難以與海外買家／供應商接洽，另外19.2%表示訂單被取消。由於隔離措施逐漸放寬，較少出口商表示出現物流配送受阻(17.7%，2020年第二季為53.1%)及延遲付運(9.1%，2020年第二季為55.8%)等問題。

Management Discussion and Analysis 管理層討論及分析

In addition to the ongoing concerns with regard to the pandemic, many Hong Kong exporters also indicated their wariness with regard to the escalating China US trade tensions. According to the HKTDC research report, overall, 68.4% of respondents believed that the trade dispute could prove detrimental to their export performance, a very slight reduction in the 69.8% who had the same conviction in the previous quarter. Of these concerned respondents, 40% indicated that they held a “very negative” view of the likely impact of the trade dispute. This was a considerable increase on the 26.6% who shared the same sentiment in the previous quarter. Nevertheless, 31.6% of the exporters indicated that they expect to remain unaffected by the stand off between the two economic superpowers.

Looking to the future, the pandemic remains the biggest concern for 51.5% of the Hong Kong’s exporters. This notwithstanding, 21.5% see decelerating global demand as their key challenge, while a further 15.0% maintain that the escalating China US trade tensions may yet prove most damaging. Perhaps surprisingly, only 3.6% of respondents, however, cited the removal of Hong Kong’s preferential status by the US as likely to adversely affect their export performance.

PROSPECTS

The outbreak of the COVID-19 has brought negative impact on most of our major markets. The lock-down of different regions has also adversely affected our customers. As the COVID-19 has been contained in China and other European regions, we expect the global economy will slowly recover and so do our business. In the short-term, we are still facing pressure of decreasing sale.

We intend to continue to focus on the core business, take efforts in strengthening our product design and development capability in order to maximise the long term returns of the shareholders of the Company.

除了持續關注疫情外，許多香港出口商亦對中美貿易摩擦升級持謹慎態度。根據香港貿發局研究報告，整體而言，68.4%受訪者認為貿易摩擦會損害彼等的出口表現，比率略低於上一季的69.8%。在該等受訪者中，40%受訪者表示中美貿易摩擦的潛在影響「十分負面」，較上一季的26.6%大幅增升。儘管如此，31.6%出口商表示，兩個超級經濟強國僵持不下的情況預期不會對彼等造成影響。

展望未來，51.5%受訪者認為，疫情依然是影響香港出口商的最重要因素。儘管如此，21.5%受訪者認為全球需求疲軟為彼等面臨的主要挑戰，而15.0%受訪者認為中美貿易摩擦升級可能最具破壞性。意外的是，僅3.6%受訪者認為美國取消香港的特殊待遇會影響彼等的出口表現。

前景

COVID-19爆發對我們大部分主要市場造成負面影響。各地封鎖亦給我們的客戶帶來不利影響。隨著COVID-19在中國及其他歐洲地區得到控制，我們預計全球經濟將緩慢復甦，我們的業務亦將如此。短期內，我們仍面臨銷量下降的壓力。

我們擬繼續專注發展核心業務，致力改進產品設計及加強開發能力，為本公司股東帶來最大的長遠回報。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW

For the nine months ended 30 September 2020 (the “**Period**”), the Group recorded a gross profit of approximately HK\$23.05 million, represents a decline of approximately 46.42% when compared with that for the same period in 2019. This decrease was mainly due to the decrease of sale as a result of the global outbreak of the COVID-19. The selling and distribution expenses for the Period decreased approximately 38.79% when compared with that for the same period in 2019. The decrease was mainly due to the decrease in packing expenses and decrease in exhibition expenses as the Baselworld’s 2020 show has been cancelled due to the COVID-19. The administrative expenses for the Period decreased approximately 14.93% which was primarily due to the decrease in professional expenses for compliance, advertisement and promotion expenses and staff cost. Finance costs of approximately HK\$3.64 million for the Period increased 25.62% when compared with that for in the same period in 2019. It was mainly due to the increase in bank borrowings.

DIVIDENDS

The Board decided not to declare any dividend for the Period.

CAPITAL STRUCTURE

The Company’s shares were successfully listed on the GEM of the Stock Exchange (the “**Listing**”) on 12 July 2018 (the “**Listing Date**”). There has been no change in the Company’s capital structure since the Listing Date. The capital structure of the Group comprises of issued share capital and reserves. The Directors review the Group’s capital structure regularly.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2020, the Group had cash and cash equivalents of approximately HK\$4.45 million (as at 30 September 2019: HK\$35.27 million). The current ratios (current asset divided by current liabilities) of the Group were approximately 1.16 times and 1.24 times as at 30 September 2020 and 30 September 2019, respectively.

The Directors are of the view that at the date of this quarterly report, the Group’s financial resources are sufficient to support its business and operations.

As at 30 September 2020, the gearing ratio of the Group, calculated by total bank borrowings as a percentage of total equity was approximately 268% (30 September 2019: 84%).

財務回顧

截至2020年9月30日止九個月（「**報告期間**」），本集團錄得毛利約23.05百萬港元，較2019年同期減少約46.42%，主要是由於銷量因全球爆發COVID-19而下跌。報告期間，銷售及分銷開支較2019年同期減少約38.79%，主要是由於2020巴塞爾世界鐘錶珠寶博覽會因COVID-19疫情而取消，導致包裝開支及展覽開支減少。報告期間，行政開支減少約14.93%，主要是由於合規的專業費用、廣告及宣傳開支及僱員成本減少所致。報告期間，財務成本約為3.64百萬港元，較2019年同期增加25.62%，主要是由於銀行借款增加。

股息

報告期間董事會決定不宣派任何股息。

資本架構

2018年7月12日（「**上市日期**」），本公司股份成功於聯交所GEM上市（「**上市**」）。自上市日期起，本公司資本架構並無變動。本集團的資本架構包括已發行股本及儲備。董事定期檢討本集團的資本架構。

流動資金及財務資源

截至2020年9月30日，本集團的現金及現金等價物約為4.45百萬港元（截至2019年9月30日：35.27百萬港元），流動比率（流動資產除以流動負債）於截至2020年9月30日及截至2019年9月30日分別約為1.16倍及1.24倍。

董事認為，於本季度報告日期，本集團財務資源足以支撐其業務及營運。

本集團資產負債比率按銀行借款總額佔權益總額的百分比計算，截至2020年9月30日約為268%（2019年9月30日：84%）。

Management Discussion and Analysis

管理層討論及分析

COMMITMENTS

As at 30 September 2020, the Group had no capital commitments.

承擔

截至2020年9月30日，本集團並無任何資本承擔。

PLEDGE OF ASSETS

At the end of the Period, the following assets were pledged to bank to secure the Group's banking facilities:

資產抵押

於報告期間末，下列資產抵押予銀行作為本集團銀行融資的擔保：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	55,721
Financial assets at fair value through profit or loss	按公平值計入損益的金融資產	17,717
Investment properties	投資物業	14,200
Pledged bank deposits	已抵押銀行存款	46,737
		134,375

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2020, we had a total of 113 (30 September 2019: 159) employees. The Company determines employee's salaries based on each employee's qualifications, position and seniority. Our Group has established an annual review system to assess the performance of our employees, which forms the basis of our decisions with respect to salary raises, bonuses and promotions.

僱員及薪酬政策

截至2020年9月30日，我們共有113名僱員（2019年9月30日：159名）。本公司基於各僱員的資格、職位及資歷釐定其薪金。本集團已設立評估僱員表現的年度評審制度，作為釐定加薪、花紅及晉升的基準。

FOREIGN EXCHANGE EXPOSURE

The Group's purchases are denominated in Hong Kong Dollars. The sales of the Group are predominantly in United States Dollars, Renminbi and Hong Kong Dollars. The Group will review and monitor from time to time the risk relating to foreign exchanges.

外匯風險

本集團的採購以港元計值，而銷售則以美元、人民幣及港元計值。本集團會不時檢討及監察外匯風險。

During the Period, the Group neither took part in any derivatives activities nor entered into any hedging activities in respect of foreign exchange risk.

報告期間，本集團概無參與任何衍生工具活動，亦無就外匯風險訂立任何對沖活動。

CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 September 2020 (31 December 2019: Nil).

或然負債

截至2020年9月30日，本集團並無重大或然負債（2019年12月31日：零）。

EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Group had no significant events occurred.

報告期後事件

報告期末後，本集團概無發生重大事件。

Management Discussion and Analysis

管理層討論及分析

USE OF PROCEEDS

During the period from the listing of shares of the Company on the GEM of the Stock Exchange on 12 July 2018 to 30 September 2020, the Group has fully applied the net proceeds, details are as follows:

所得款項用途

自本公司股份於2018年7月12日在聯交所GEM上市至2020年9月30日，本集團悉數使用所得款項淨額，詳情如下：

		Amount utilised up to 30 September 2020 截至2020年 9月30日 已動用的金額 HK\$'000 千港元	Amount unutilised as at 30 September 2020 截至2020年 9月30日 未動用的金額 HK\$'000 千港元
Acquisition of new production facilities	購買新生產設施	21,629	21,629
Expansion of e-commerce customer base	擴大電子商務客戶群	2,739	2,739
Strengthening of design capabilities	加強設計能力	2,200	2,200
Repayment of bank loan	償還銀行貸款	7,422	7,422
Working capital	營運資金	480	480
Total	總計	34,470	34,470

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 September 2020, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.68 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

董事及最高行政人員於本公司或其任何相聯法團之股份、相關股份及債券的權益及／或淡倉

於2020年9月30日，董事及本公司最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例有關條文彼等被當作或視為擁有之權益或淡倉），或記錄於本公司根據證券及期貨條例第352條須存置之登記冊之權益及淡倉，或根據GEM上市規則第5.46至第5.68條須知會本公司及聯交所之權益及淡倉如下：

Management Discussion and Analysis

管理層討論及分析

Long position in shares of the Company:

於本公司股份的好倉：

Name of Director 董事姓名	Capacity/Nature of Interest 身份／權益性質	Long position 好倉	
		Number of ordinary shares 普通股數目	Percentage of total number of shares 佔股份總數百分比
Mr. Cheuk Sin Cheong, Clement ("Mr. Cheuk") (Note) 卓善章先生(「卓先生」)(附註)	Interest in controlled corporation 受控制法團權益	620,000,000	62%
Ms. Au Corona Ching Mei M.H. ("Mrs. Cheuk") (Note) 歐靜美女士·M.H.(「卓太太」) (附註)	Interest in controlled corporation 受控制法團權益	620,000,000	62%

Note: 620,000,000 shares of the Company are registered in the name of Million Easy Enterprises Ltd. ("Million Easy"), the entire issued share capital of which are legally and beneficially owned by Mr. Cheuk and Mrs. Cheuk in equal shares. Under the SFO, both Mr. Cheuk and Mrs. Cheuk are deemed to be interested in all the shares of the Company held by Million Easy.

附註：620,000,000股本公司股份登記於萬宜集團有限公司(「萬宜」)名下，其全部已發行股本由卓先生及卓太太合法實益等額擁有。根據證券及期貨條例，卓先生及卓太太被視為於萬宜所持本公司全部股份中擁有權益。

Long position in the ordinary shares of associated corporation:

於相聯法團普通股的好倉：

Name of Director 董事姓名	Name of associated corporation 相聯法團名稱	Capacity/ Nature of Interest 身份／ 權益性質	Long position 好倉	
			Number of ordinary shares 普通股數目	Percentage of total number of shares 佔股份總數百分比
Mr. Cheuk 卓先生	Million Easy 萬宜	Beneficial Interest 實益權益	1	50%
Mrs. Cheuk 卓太太	Million Easy 萬宜	Beneficial Interest 實益權益	1	50%

Save as disclosed above, as at 30 September 2020, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, 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.

除上文所披露者外，於2020年9月30日，董事及本公司最高行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債券中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條文被當作或視為擁有的任何權益或淡倉)，或根據證券及期貨條例第352條須記錄於該條例所指登記冊內的權益或淡倉，或根據GEM上市規則第5.46至5.67條就董事的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

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

As at 30 September 2020, other than the Directors and chief executive of the Company, the following persons/entities have an interest or a short position in the shares or the underlying shares of the Company as recorded in the register of the Company required to be kept under section 336 of the SFO:

Long position in shares of the Company:

Name	Capacity/Nature of Interest	Number of ordinary shares	Percentage of total number of shares
名稱	身份／權益性質	普通股數目	佔股份總數百分比
Million Easy	Beneficial Interest	620,000,000	62%
萬宜	實益權益	620,000,000股	62%

Save as disclosed above, as at 30 September 2020, the Directors are not aware of any other persons/entities (other than a Director) who had, or were deemed or taken to have any interests or short position in any shares or underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO.

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

During the Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SIGNIFICANT INVESTMENT HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There was no significant investment, material acquisition and disposal of subsidiaries, associates and joint ventures by the Company for the Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in the prospectus of the Company dated 28 June 2018 and in this quarterly report, the Group did not have other plans for material investments or capital assets for the coming year.

主要股東於本公司之股份及相關股份的權益及／或淡倉

於2020年9月30日，除董事及本公司最高行政人員外，下列人士／實體於本公司股份或相關股份中擁有根據證券及期貨條例第336條須記錄於本公司登記冊內的權益或淡倉如下：

於本公司股份的好倉：

Long position	Percentage of total number of shares
好倉	佔股份總數百分比
Number of ordinary shares	
普通股數目	
620,000,000	62%
620,000,000股	62%

除上文所披露者外，於2020年9月30日，據董事所知，並無任何其他人士／實體（董事除外）於本公司任何股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第336條須記錄於該條例所指登記冊內的權益或淡倉。

購買、出售或贖回本公司上市證券

報告期間，本公司及其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

所持重大投資、重大收購或出售附屬公司、聯營公司及合營企業

報告期間，本公司並無重大投資、重大收購及出售附屬公司、聯營公司及合營企業。

重大投資或資本資產之未來計劃

除本公司於2018年6月28日刊發的招股章程及本季度報告所披露者外，本集團明年並無任何其他重大投資或資本資產計劃。

Management Discussion and Analysis

管理層討論及分析

SHARE OPTION SCHEME

The Company has a share option scheme (the “Scheme”) which was approved and adopted by the shareholders of the Company by way of written resolutions passed on 20 June 2018. The Scheme shall be valid and effective for a period of 10 years and will expire on 19 June 2028. The purpose of the Scheme is to provide incentives or rewards to participants for their contribution to our Group and/or to enable our Group to recruit and retain high-calibre employees and attract human resources that are valuable to our Group and any entity in which our Group holds any equity interest.

Under the Scheme, the board of directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares in issue at any point in time, without prior approval from the Company's shareholders. The Company may not grant any options if the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and other schemes exceeds 30% of the Shares in issue from time to time. Options granted to the substantial shareholders or Independent Non-executive Directors of the Company in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5,000,000 must be approved in advance by the Company's shareholders. The option will be offered for acceptance for a period of not less than five trading days from the date on which the option is granted. Upon acceptance of the option, Directors and eligible employees of the Company shall pay HK\$1.00 to the Company by way of consideration for the grant.

Options may be exercised at any time from the date of grant of the share option to the tenth anniversary of the date of grant. The exercise price is determined by the Board of Directors of the Company, and will not be less than the highest of (i) the nominal value of the Company's share; (ii) the closing price of the Shares on the date of grant; and (iii) the average closing price of the Shares for the five business days immediately preceding the date of grant. No share options have been granted since the adoption of the Scheme and during the nine months ended 30 September 2019 and 2020.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, the management shareholders or substantial shareholders of the Company or any of its respective associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with the Group during the Period.

購股權計劃

本公司股東於2018年6月20日通過書面決議案批准及採納本公司的購股權計劃（「計劃」）。計劃有效期為10年，將於2028年6月19日屆滿。計劃的目的是就參與者對本集團所作貢獻提供獎勵或回報及／或使本集團可招聘及留聘高素質僱員，並吸引對本集團及本集團持有任何股權的任何實體有價值的人力資源。

根據計劃，本公司董事會可向包括本公司及其附屬公司董事在內的合資格僱員授出認購本公司股份的購股權。未經本公司股東事先批准，根據計劃授出之購股權所涉股份總數不得超過任何時間已發行股份的10%。倘根據計劃及其他計劃已授出但尚未行使的所有已發行購股權獲行使時可發行的股份數目超過不時已發行股份的30%，則本公司不得授出任何購股權。倘向本公司主要股東或獨立非執行董事授出的購股權超過本公司股本的0.1%或價值超過5,000,000港元，須事先獲得本公司股東批准。購股權將自授出購股權之日起不少於五個交易日要約接納。接納購股權後，本公司董事及合資格僱員須向本公司支付1.00港元作為獲授購股權的代價。

購股權可自授出購股權之日起至授出日期十週年當日隨時行使。行使價由本公司董事會釐定，但不得低於以下最高者：(i)本公司股份面值；(ii)股份於授出日期之收市價；(iii)股份於緊接授出日期前五個營業日之平均收市價。截至2019年及2020年9月30日止九個月，自計劃獲採納以來概無授出購股權。

競爭及利益衝突

報告期間，本公司董事、管理層股東或主要股東或任何彼等各自聯繫人概無進行與本集團業務（不論直接或間接）競爭或可能構成競爭之任何業務（定義見GEM上市規則）或與本集團產生任何其他利益衝突。

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INTEREST OF COMPLIANCE ADVISER

As at 30 September 2020, except for the compliance adviser agreement entered into between the Company and TC Capital International Limited (“TC Capital”) dated 23 February 2018, neither TC Capital nor any of its directors, employees or close associates had any interest in the securities of the Company or any member of the Group (including options or rights to subscribe for such securities, if any) pursuant to Rule 6A.32 of the GEM Listing Rules.

CORPORATE GOVERNANCE CODE

The Board is of the view that the Company has met the code provisions set out in the Corporate Governance Code (the “Corporate Governance Code”) contained in Appendix 15 to the GEM Listing Rules throughout the Period, except for the deviation as specified and explained below with considered reasons for such deviations.

Provision A.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Cheuk Sin Cheong Clement is currently both the chairman of our Board and the chief executive officer of our Company. In view of the fact that Mr. Cheuk has been assuming the day-to-day responsibilities in operating and managing our Group since 1986 and the rapid development of our Group, the Board believes that with of Mr. Cheuk’s extensive experience and knowledge in the business of the Group, vesting the roles of both the chairman of our Board and the chief executive officer of our Company in Mr. Cheuk strengthens the solid and consistent leadership and thereby allows for efficient business planning and decision which is in the best interest to our Group.

The Directors consider that the deviation from provision A.2.1 of the Corporate Governance Code is appropriate in such circumstances. Notwithstanding the above, the Board is of the view that this management structure is effective for our Group’s operations, and sufficient checks and balances are in place.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company had adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry, the Company confirms that the Directors have complied with required standard of dealings and its code of conduct regarding securities transactions by Directors throughout the Period.

合規顧問權益

截至2020年9月30日，除本公司與天財資本國際有限公司（「天財資本」）於2018年2月23日訂立的合規顧問協議外，天財資本、其任何董事、僱員或緊密聯繫人概無於本公司或本集團任何成員公司證券中擁有GEM上市規則第6A.32條所述的權益（包括購股權或認購該等證券的權利（如有））。

企業管治守則

董事會認為，報告期間，除下文已詳述合理原因的偏離外，本公司已遵守GEM上市規則附錄15所載企業管治守則（「企業管治守則」）的守則條文。

企業管治守則條文第A.2.1條規定，主席及行政總裁的角色應予以區分，不應由同一人士擔任。卓善章先生現為董事會主席兼本公司行政總裁。鑑於卓先生自1986年以來一直承擔本集團的日常營運及管理職責，且本集團正處於快速發展期，董事會認為，憑藉卓先生對本集團業務的豐富經驗與知識，由卓先生同時擔任董事會主席及本公司行政總裁將加強本公司穩定貫徹的領導，從而實現高效的業務規劃及決策，因此，符合本集團的最佳利益。

董事認為，在此情況下偏離企業管治守則條文第A.2.1條屬適當。故儘管存在上述情況，董事會認為該管理架構對本集團的營運有效，且已採取足夠的檢查及平衡措施。

董事進行證券交易之操守守則

本公司已採納董事進行證券交易之操守守則，其條款不遜於GEM上市規則第5.48至5.67條所載交易規定準則。經作出特定查詢後，本公司確認報告期間，董事已遵守交易規定準則及董事進行證券交易之操守守則。

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AUDIT COMMITTEE

The Company established an audit committee (the “**Audit Committee**”) on 20 June 2018 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules, and paragraph C.3 of the Corporate Governance Code. The members of the Audit Committee comprise Mr. Yu Sau Ning, Homer M.H., Mr. Zhao Zhipeng and Ms. Yee Wai Fong, Wendy. The chairperson of the Audit Committee is Mr. Yu Sau Ning, Homer M.H..

The primary duties of the Audit Committee are mainly to make recommendations to our Board on the appointment and removal of the external auditor, review the financial statements and related materials and provide advice in respect of the financial reporting process and oversee the internal control procedures of our Group.

The financial information in this quarterly report has not been audited by the auditor of the Company, but the Audit Committee has reviewed the unaudited consolidated results of the Group for the Period, which the Audit Committee was of the opinion that such results have been prepared in compliance with the applicable accounting standards and the GEM Listing Rules, and that adequate disclosures have been made.

FORWARD LOOKING STATEMENTS

This quarterly report contains forward-looking statements in relation to financial conditions, results of operation and business of the Group. These statements are based on numerous assumptions regarding our Group’s present and future business strategy and the environment in which our Group will operate in the future. These forward-looking statements reflecting our Group’s current views with respect to future events are not a guarantee of future performance and are subject to certain risks, uncertainties and assumptions.

By order of the Board
HANVEY GROUP HOLDINGS LIMITED
Cheuk Sin Cheong, Clement

Chairman, Chief Executive Officer and Executive Director

Hong Kong, 12 November 2020

As at the date of this quarterly report, the Executive Directors are Mr. Cheuk Sin Cheong Clement and Ms. Au Corona Ching Mei M.H.; and the Independent Non-executive Directors are Mr. Yu Sau Ning, Homer M.H., Mr. Zhao Zhipeng, Ms. Yee Wai Fong, Wendy and Dr. Liu Ngai Wing.

審核委員會

本公司已於2018年6月20日遵照GEM上市規則第5.28至第5.33條及企業管治守則第C.3段成立審核委員會(「**審核委員會**」)，並制定書面職權範圍。審核委員會的成員包括余壽寧先生，M.H.、趙志鵬先生及余惠芳女士。審核委員會主席為余壽寧先生，M.H.。

審核委員會的首要職責主要為就委任及罷免外部核數師向董事會作出推薦建議、審閱財務報表及相關資料、就財務申報程序提供意見及監督本集團的內部監控程序。

本季度報告所載財務資料未經本公司核數師審核，但審核委員會已審閱本集團報告期間的未經審核綜合業績。審核委員會認為有關業績乃按照適用會計準則及GEM上市規則編製，並已作出充分披露。

前瞻性陳述

本季度報告載有有關本集團財務狀況、經營業績及業務的前瞻性陳述。該等陳述以有關本集團現時及日後業務策略以及本集團日後經營環境的多項假設為依據。該等前瞻性陳述反映本集團現時對未來事件的觀點，並非日後表現的保證，且受若干風險、不確定因素及假設影響。

承董事會命
恆偉集團控股有限公司
主席、行政總裁兼執行董事
卓善章

香港，2020年11月12日

於本季度報告日期，執行董事為卓善章先生及歐靜美女士，M.H.；及獨立非執行董事為余壽寧先生，M.H.、趙志鵬先生、余惠芳女士及廖毅榮博士。

HANVEY GROUP HOLDINGS LIMITED
恆偉集團控股有限公司