



IDT INTERNATIONAL LIMITED 萬威國際有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock code 股份代號: 167)

2018

中期報告 Interim Report

EMBRACING

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive directors:

Foo Piau Phang (*Chairman*)
Yan Keya (*Chief Executive Officer*)
(re-designated from Non-executive Director to
Executive Director on August 1, 2018)
Ouyang Jiejiao (*Chief Financial Officer*)
(appointed on August 24, 2018)
Qi Miao (resigned on August 1, 2018)

Non-Executive directors:

Song Rongrong
Wu Gang (resigned on August 24, 2018)
Han Hongtu (resigned on August 24, 2018)

Independent Non-Executive director:

Yang Xiongsheng
Duh Jia-Bin
Zhao Yuhong (resigned on August 24, 2018)
Li Quan (resigned on August 24, 2018)
Xu Jinwen (appointed on August 24, 2018)

EXECUTIVE COMMITTEE

Foo Piau Phang (*Chairman*)
Yan Keya (*Chief Executive Officer*)
(appointed on August 1, 2018)
Ouyang Jiejiao (*Chief Financial Officer*)
(appointed on August 24, 2018)
Qi Miao (resigned on August 1, 2018)

AUDIT COMMITTEE

Yang Xiongsheng (*Chairman*)
Duh Jia-Bin (appointed on August 24, 2018)
Xu Jinwen (appointed on August 24, 2018)
Zhao Yuhong (resigned on August 24, 2018)
Li Quan (resigned on August 24, 2018)

NOMINATION AND CORPORATE GOVERNANCE COMMITTEE

Foo Piau Phang (*Chairman*)
Duh Jia-Bin
Xu Jinwen (appointed on August 24, 2018)
Li Quan (resigned on August 24, 2018)

董事

執行董事：

符標榜(*主席*)
鄒克亞(*行政總裁*)
(於二零一八年八月一日
由非執行董事調任為執行董事)
歐陽戒驕(*首席財務官*)
(於二零一八年八月二十四日獲委任)
祁淼(於二零一八年八月一日辭任)

非執行董事：

宋榮榮
吳剛(於二零一八年八月二十四日辭任)
韓宏圖(於二零一八年八月二十四日辭任)

獨立非執行董事：

楊雄勝
杜家濱
趙宇紅(於二零一八年八月二十四日辭任)
李權(於二零一八年八月二十四日辭任)
徐錦文(於二零一八年八月二十四日獲委任)

執行委員會

符標榜(*主席*)
鄒克亞(*行政總裁*)
(於二零一八年八月一日獲委任)
歐陽戒驕(*首席財務官*)
(於二零一八年八月二十四日獲委任)
祁淼(於二零一八年八月一日辭任)

審核委員會

楊雄勝(*主席*)
杜家濱(於二零一八年八月二十四日獲委任)
徐錦文(於二零一八年八月二十四日獲委任)
趙宇紅(於二零一八年八月二十四日辭任)
李權(於二零一八年八月二十四日辭任)

提名及企業管治委員會

符標榜(*主席*)
杜家濱
徐錦文(於二零一八年八月二十四日獲委任)
李權(於二零一八年八月二十四日辭任)

Corporate Information

公司資料

REMUNERATION COMMITTEE

Duh Jia-Bin (*Chairman*)

(appointed on August 24, 2018)

Song Rongrong

Xu Jinwen (appointed on August 24, 2018)

Zhao Yuhong (resigned on August 24, 2018)

COMPANY SECRETARY

Gao Keying

AUTHORISED REPRESENTATIVES

Foo Piau Phang

Gao Keying

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

Hang Seng Bank Limited

AUDITOR

Deloitte Touche Tohmatsu

SOLICITOR

Bermuda:

Conyers Dill & Pearman

SHARE REGISTRARS

Bermuda:

Conyers Corporate Services (Bermuda) Limited

Clarendon House

2 Church Street

Hamilton, HM 11

Bermuda

薪酬委員會

杜家濱(*主席*)

(於二零一八年八月二十四日獲委任)

宋榮榮

徐錦文(於二零一八年八月二十四日獲委任)

趙宇紅(於二零一八年八月二十四日辭任)

公司秘書

高克穎

授權代表

符標榜

高克穎

主要往來銀行

香港上海滙豐銀行有限公司

恒生銀行有限公司

核數師

德勤 • 關黃陳方會計師行

律師

百慕達:

Conyers Dill & Pearman

股份過戶登記處

百慕達:

Conyers Corporate Services (Bermuda) Limited

Clarendon House

2 Church Street

Hamilton, HM 11

Bermuda

Corporate Information

公司資料

Hong Kong:

Union Registrars Limited
Suites 3301-04, 33/F.
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

BERMUDA REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Block C, 9th Floor, Kaiser Estate
41 Man Yue Street
Hung Hom
Kowloon
Hong Kong

STOCK CODE

167

WEBSITES

www.idthk.com
www.oregonscientific.com

香港:

聯合證券登記有限公司
香港
北角
英皇道338號
華懋交易廣場2期
33樓3301-04室

百慕達註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港主要營業地點

香港
九龍
紅磡
民裕街41號
凱旋工商中心9樓C座

股份代號

167

網址

www.idthk.com
www.oregonscientific.com

Financial Highlights

財務摘要

IDT INTERNATIONAL LIMITED is an investment holding company with subsidiaries engaged in investment holdings, as well as the design, development, manufacture, marketing and distribution of lifestyle electronic products.

FINANCIAL HIGHLIGHTS:

- Turnover amounted to HK\$224.9 million (1H2017: HK\$185.6 million).
- Gross profit amounted to HK\$45.1 million (1H2017: HK\$33.5 million).
- Total operating expenses amounted to HK\$114.4 million (1H2017: HK\$95.2 million).
- Loss for the period amounted to HK\$62.3 million (1H2017: HK\$55.6 million).
- Group cash balances of HK\$24.7 million (December 31, 2017: HK\$37.2 million).

INTERIM RESULTS

The board of directors (the “Board”) of IDT International Limited (the “Company”) hereby announces the unaudited condensed results of the Company and its subsidiaries (the “Group”) for the six months ended June 30, 2018 together with the comparative figures for the corresponding period ended June 30, 2017 (“1H2017”).

萬威國際有限公司乃一間投資控股公司，連同其附屬公司主要從事投資控股、設計、開發、製造、市場推廣及分銷時尚生活電子產品。

財務摘要：

- 營業額為港幣224.9百萬元(二零一七年上半年：港幣185.6百萬元)。
- 毛利為港幣45.1百萬元(二零一七年上半年：港幣33.5百萬元)。
- 總營運開支為港幣114.4百萬元(二零一七年上半年：港幣95.2百萬元)。
- 本期間虧損為港幣62.3百萬元(二零一七年上半年：港幣55.6百萬元)。
- 集團現金額為港幣24.7百萬元(二零一七年十二月三十一日：港幣37.2百萬元)。

中期業績

萬威國際有限公司(「本公司」)的董事會(「董事會」)公佈本公司及其附屬公司(「本集團」)截至二零一八年六月三十日止六個月的未經審核簡明業績連同截至二零一七年六月三十日止相應期間(「二零一七年上半年」)的比較數據。

Condensed Consolidated Statement of Profit or Loss and other Comprehensive Income

簡明綜合損益及其他全面收益表

For the six months ended June 30, 2018

截至二零一八年六月三十日止六個月

Six months ended June 30,
截至六月三十日止六個月

		Notes 附註	2018 二零一八年 (Unaudited) (未經審核) HK\$'M 港幣百萬元	2017 二零一七年 (Unaudited) (未經審核) HK\$'M 港幣百萬元
Turnover	營業額	3	224.9	185.6
Cost of goods sold	銷售成本		(179.8)	(152.1)
Gross profit	毛利		45.1	33.5
Other income	其他收入		7.3	7.6
Other gains and losses	其他收益及虧損		0.3	(1.5)
Research and development costs	研究及開發費用		(13.8)	(16.9)
Distribution and selling expenses	分銷及銷售開支		(38.2)	(31.4)
General administrative expenses	一般行政開支		(60.9)	(46.9)
Finance costs	融資成本		(1.5)	—
Loss before taxation	除稅前虧損	4	(61.7)	(55.6)
Taxation	稅項	5	(0.6)	—
Loss for the period	本期間虧損		(62.3)	(55.6)
Other comprehensive income/ (expenses): <i>Items that may be reclassified subsequently to profit or loss:</i>	其他全面收益/(開支): 其後可能會重新分類至 損益賬的項目:			
Exchange differences arising on translation of foreign operations	換算海外業務產生的匯兌差額		(6.8)	2.8
Total comprehensive expenses for the period	期內全面開支總額		(69.1)	(52.8)
Loss for the period attributable to:	以下人士應佔期內虧損:			
Owners of the Company	本公司擁有人		(62.3)	(55.6)
Non-controlling interests	非控股權益		—	—
			(62.3)	(55.6)
Total comprehensive expenses attributable to:	以下人士應佔全面開支總額:			
Owners of the Company	本公司擁有人		(69.1)	(52.8)
Non-controlling interests	非控股權益		—	—
			(69.1)	(52.8)
Loss per share — Basic	每股虧損—基本	6	(2.40 HK cents) (2.40港仙)	(2.14 HK cents) (2.14港仙)

Condensed Consolidated Statement of Financial Position

簡明綜合財務狀況報表

As at June 30, 2018
於二零一八年六月三十日

			As at June 30, 2018 於二零一八年 六月三十日 (Unaudited) (未經審核) HK\$'M 港幣百萬元	As at December 31, 2017 於二零一七年 十二月三十一日 (Audited) (經審核) HK\$'M 港幣百萬元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備		36.2	32.5
Intangible assets	無形資產		3.1	3.3
Goodwill	商譽		33.8	33.8
Rental deposits	租金按金		6.7	6.7
Prepaid rental	預付租金		1.6	1.6
			81.4	77.9
Current assets	流動資產			
Inventories	存貨		123.9	130.4
Trade and other receivables	貿易及其他應收款項	7	100.7	162.5
Tax recoverable	可收回稅項		—	0.1
Bank balances and cash	銀行結餘及現金		24.7	37.2
			249.3	330.2
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	8	184.6	192.9
Borrowing	借款		35.5	35.5
			220.1	228.4
Net current assets	流動資產淨值		29.2	101.8
Net assets	資產淨值		110.6	179.7
Capital and reserves	股本及儲備			
Share capital	股本	9	260.0	260.0
Reserves	儲備		(149.5)	(80.4)
Equity attributable to owners of the Company	本公司擁有人應佔權益		110.5	179.6
Non-controlling interests	非控股權益		0.1	0.1
Total equity	權益總額		110.6	179.7

Condensed Consolidated Statement of Changes in Equity

簡明綜合權益變動表

		Attributable to owners of the Company 本公司擁有人所佔							
		Share capital 股本	Share premium 股份溢價	Other reserve 其他儲備	Translation reserve 貨幣換算儲備	Revenue reserve 利潤儲備	Total 總額	Non-controlling interests 非控股權益	Total equity 權益總額
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)
		HKS'M 港幣百萬元	HKS'M 港幣百萬元	HKS'M 港幣百萬元	HKS'M 港幣百萬元	HKS'M 港幣百萬元	HKS'M 港幣百萬元	HKS'M 港幣百萬元	HKS'M 港幣百萬元
As at January 1, 2018	於二零一八年一月一日	260.0	165.0	32.5	(96.9)	(181.0)	179.6	0.1	179.7
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	—	—	—	(6.8)	—	(6.8)	—	(6.8)
Loss for the period	本期間虧損	—	—	—	—	(62.3)	(62.3)	—	(62.3)
Total comprehensive expenses for the period	期內全面開支總額	—	—	—	(6.8)	(62.3)	(69.1)	—	(69.1)
As at June 30, 2018	於二零一八年六月三十日	260.0	165.0	32.5	(103.7)	(243.3)	110.5	0.1	110.6
As at January 1, 2017	於二零一七年一月一日	260.0	165.0	32.5	(92.9)	(95.3)	269.3	0.1	269.4
Exchange differences arising from translation of foreign operations	換算海外業務產生之匯兌差額	—	—	—	2.8	—	2.8	—	2.8
Loss for the period	本期間虧損	—	—	—	—	(55.6)	(55.6)	—	(55.6)
Total comprehensive expenses for the period	期內全面開支總額	—	—	—	2.8	(55.6)	(52.8)	—	(52.8)
As at June 30, 2017	於二零一七年六月三十日	260.0	165.0	32.5	(90.1)	(150.9)	216.5	0.1	216.6

Condensed Consolidated Statement of Cash Flows

簡明綜合現金流量表

Six months ended June 30,
截至六月三十日止六個月

		2018 二零一八年 (Unaudited) (未經審核) HK\$'M 港幣百萬元	2017 二零一七年 (Unaudited) (未經審核) HK\$'M 港幣百萬元
Net cash (used in) generated from operating activities	經營活動(所用)所得現金淨額	(3.2)	23.5
Net cash used in investing activities	投資活動所用現金淨額	(7.8)	(14.3)
Net cash used in financing activities	融資活動所用現金淨額	(1.5)	—
Net (decrease) increase in cash and cash Equivalents	現金及等同現金項目之(減少)增加淨額	(12.5)	9.2
Cash and cash equivalents at beginning of the period	期初之現金及等同現金項目	37.2	80.7
Cash and cash equivalents at end of the period	期末之現金及等同現金項目	24.7	89.9
Analysis of the cash and cash equivalents: Cash and bank balances	現金及等同現金項目分析： 現金及銀行結餘	24.7	89.9

Notes:

附註：

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial information for the six months ended June 30, 2018 has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") and with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountant ("HKICPA").

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at revalued amount or fair value, as appropriate. The accounting policies and method of computation used in the preparation of this condensed consolidated interim financial information are consistent with those used in the financial statements for the year ended December 31, 2017, except as mentioned below.

In the current period, the Group has applied, for the first time, the following amendments to standards and interpretations issued by the HKICPA, which are effective for the Group's financial year beginning January 1, 2018.

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014-2016 Cycle

1. 編製基準及會計政策

截至二零一八年六月三十日止六個月的未經審核簡明綜合中期財務資料乃根據香港聯合交易所有限公司證券上市規則(「上市規則」)附錄十六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第34號「中期財務報告」編製。

簡明綜合中期財務報表乃按歷史成本基準編製，惟若干物業及財務工具按重估金額或公平價值(如適用)衡量。編製簡明綜合中期財務資料時採用的會計政策及計算方法與截至二零一七年十二月三十一日止年度的財務報表所採用者一致，惟以下所述者除外。

本集團於本期間首次應用香港會計師公會所頒佈，且於二零一八年一月一日開始之本集團財政年度生效之以下準則之修訂本及詮釋。

香港財務報告準則第9號	金融工具
香港財務報告準則第15號	客戶合約收益及相關修訂
香港(國際財務報告詮釋委員會)詮釋22	外幣交易及墊付代價
香港財務報告準則第4號之修訂	應用香港財務報告準則第9號金融工具及香港財務報告準則第4號保險合同
香港會計準則第28號之修訂	作為香港財務報告準則二零一四年至二零一六年週期之年度改進之一部分

Notes:

附註：

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continue)

Other than as further explained below, the adoption of the new and revised HKFRSs and HKASs did not have any material effect on the financial position for the current or prior accounting period which have been prepared and presented.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 supersedes HKAS 11 Construction Contracts, HKAS 18 Revenue and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The adoption of HKFRS 15 does not have any material impact on the Group's condensed consolidated interim financial statements.

HKFRS 9 Financial Instruments

HKFRS 9 Financial Instruments replaces HKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

1. 編製基準及會計政策(續)

除下文進一步詳述者外，採納新訂及經修訂香港財務報告準則及香港會計準則對本會計期間或先前會計期間已編製及呈列的財務狀況並無任何重大影響。

香港財務報告準則第15號 客戶合約收益

香港財務報告準則第15號取代香港會計準則第11號建築合約、香港會計準則第18號收益及相關詮釋，其適用於所有客戶合約收益，除非該等合約適用於其他準則。該項新準則建立五步模型以對客戶合約收益進行入賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務而有權獲得的代價金額確認。

該準則要求實體作出判斷，並考慮將該模式各步應用於彼等客戶合約時的所有相關事實及情況之代價。該準則亦訂明獲取合約的增量成本及與履行合約直接相關的成本的會計處理。採納香港財務報告準則第15號對本集團簡明綜合中期財務報表並無任何重大影響。

香港財務報告準則第9號 金融工具

香港財務報告準則第9號金融工具於二零一八年一月一日或以後開始的年度期間取代香港會計準則第39號金融工具：確認及計量，合併金融工具會計之所有三個方面：分類及計量；減值；及對沖會計。

Notes:

附註：

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continue)

HKFRS 9 Financial Instruments (Continue)

(a) Classification and measurement

To determine their classification and measurement category, HKFRS 9 requires all financial assets, except equity instruments and derivatives, to be assessed based on a combination of the entity's business model for managing the assets and the instruments' contractual cash flow characteristics.

The HKAS 39 measurement categories of cash and cash equivalents, pledged deposits, loan receivables, trade and bills receivables, financial assets included in prepayments, deposits and other receivables, loans to a jointly-controlled entity, and an amount due from a jointly-controlled entity, have been replaced by debt instruments at amortised cost under HKFRS 9.

The accounting for financial liabilities remains largely the same as it was under HKAS 39.

(b) Impairment

The Group applies the simplified approach and record lifetime expected losses that are estimated based on the present values of all cash shortfalls over the remaining life of all of its trade and bills receivables. The Group applies the general approach and record twelve months expected losses on its financial assets included in prepayments, deposits and other receivables, loans to a jointly-controlled entity and an amount due from a jointly-controlled entity.

The Group has not early adopted any new and revised standards, amendments and interpretations that have been issued but are not effective.

1. 編製基準及會計政策(續)

香港財務報告準則第9號 金融工具(續)

(a) 分類及計量

為釐定彼等的分類及計量類別，香港財務報告準則第9號規定所有金融資產(股本工具及衍生工具除外)根據結合實體管理資產及工具合約現金流量特徵的業務模式進行評估。

香港會計準則第39號的現金及等同現金項目、已質押存款、應收貸款、應收貿易賬款及票據、計入預付款項的金融資產、按金及其他應收款項、貸款予一間共同控制實體及應收一間共同控制實體款項計量類別已被香港財務報告準則第9號項下按攤銷成本列賬的債務工具取代。

金融負債的會計處理很大程度上與香港會計準則第39號規定者一致。

(b) 減值

本集團應用簡化方式，並根據於其所有應收貿易賬款及票據餘下年期內的所有現金差額現值估計的年期預期虧損入賬。本集團採用一般方法並就計入預付款項、按金及其他應收賬款、貸款予一間共同控制實體以及應收一間共同控制實體款項的金融資產記錄十二個月的預期虧損。

本集團並未提早應用任何已頒佈但尚未生效之新訂及經修訂準則、修訂本及詮釋。

Notes:

附註：

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements used in preparing this condensed consolidated interim financial information are evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The resulting accounting estimates are, by definition, seldom equal to the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities include the useful lives of property, plant and equipment, recoverability of intangible assets, impairment of goodwill, allowances for trade receivables and inventories and the determination of income taxes.

3. SEGMENT INFORMATION

Turnover represents the amounts received and receivable for goods sold by the Group to outside customers, net of discounts and sales related taxes. Turnover represents mainly Oregon Scientific branded sales (“Branded Sales”) and Original Equipment Manufacturer and Original Design Manufacturer sales (“OEM/ODM Sales”).

The information reported to the Executive Directors of the Company, being the chief operating decision maker (the “CODM”) were reorganised based on district products to different customer groups. The reportable and operating segments were namely Connected home and communications (“CoH”), Health and wellness (“H&W”), Smart learning and immersive technology (“SLIT”), in addition, other electric products which are individually insignificant were aggregated and reported under others.

2. 主要會計估計及判斷

編製簡明綜合中期財務資料的估計及判斷會按過往經驗及其他因素(包括在現有情況下的未來事件的合理預期)。會計估計甚少等同有關實際結果。對資產及負債賬面值有重大影響之估計及假設，包括物業、廠房及設備之可用年期、收回無形資產之成數、商譽減值、貿易應收賬款及存貨撥備以及所得稅釐定。

3. 分部資料

營業額代表本集團向外部客戶出售產品而已收及應收之款項，乃扣除折扣及相關銷售稅。營業額主要代表Oregon Scientific品牌銷售(「品牌銷售」)及原設備製造及原設計製造銷售(「原設備製造／原設計製造銷售」)。

呈報予本公司執行董事(即主要營運決策人(「主要營運決策人」))之資料乃基於將產品劃分至不同客戶群確認。可報告及營運分部分別為智能家居(「智能家居」)、智能運動健康及保健(「智能運動健康及保健」)、智能教育與學習(「智能教育與學習」)。此外，其他電子產品由於個別金額不大而歸納報告為其他分部。

Notes:

附註：

3. SEGMENT INFORMATION (Continue) 3. 分部資料(續)

Connected home and communications 智能家居	— —	design, development, manufacture, and sales and marketing of home connected and communication products 設計、開發、製造，以及銷售及推廣智能家居產品
Health and wellness 智能運動健康及保健	— —	design, development, manufacture, and sales and marketing of health and wellness products 設計、開發、製造，以及銷售及推廣智能運動健康及保健產品
Smart learning and immersive Technology 智能教育與學習	— —	design, development, manufacture and sales and marketing of electric learning and inner size products 設計、開發、製造，以及銷售及推廣智能教學及融入科技產品
Others 其他	— —	design, development, manufacture, and sales and other electronic products 設計、開發、製造，以及銷售及其他電子產品

The Group disaggregated its turnover based on branded sales and OEM/ODM sales and reported to the CODM. No separate results of branded sales and OEM/ODM sales were reported to the CODM.

Turnover represents the net amounts received and receivable for goods sold by the Group to outside customers, net of discounts and sales related taxes.

本集團按品牌銷售及原設備製造／原設計製造銷售劃分其營業額並呈報予主要營運決策人。並無向主要營運決策人分別呈報品牌銷售及原設備製造／原設計製造銷售業績。

營業額代表本集團向外部客戶出售產品而已收及應收之款項淨額，乃扣除折扣及相關銷售稅。

Notes:

附註：

3. SEGMENT INFORMATION (Continue)

The following is an analysis of the Group's revenue and results by operating segments:

Smart Learning and Immersive Technology 智能教育 與學習 HK\$'M 港幣百萬元	Connected Home and Communications 智能家居 HK\$'M 港幣百萬元	Health and Wellness 智能運動 健康及保健 HK\$'M 港幣百萬元	Others 其他 HK\$'M 港幣百萬元	Total 總額 HK\$'M 港幣百萬元
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3. 分部資料(續)

本集團按營運分部之收入及業績分析如下：

Six months ended June 30, 2018	截至二零一八年 六月三十日止六個月					
Segment revenue	分部收入					
Branded sales	品牌銷售	24.9	39.2	12.8	3.4	80.3
OEM/ODM sales	原設備製造/ 原設計製造銷售	—	32.4	82.2	30.0	144.6
Total segment revenue	分部收入總額	24.9	71.6	95.0	33.4	224.9
Segment loss	分部虧損	(2.0)	(25.7)	(19.1)	(11.3)	(58.1)
Unallocated expenses	未經分配之開支					(3.6)
Loss before taxation	除稅前虧損					(61.7)
Six months ended June 30, 2017	截至二零一七年 六月三十日止六個月					
Segment revenue	分部收入					
Branded sales	品牌銷售	23.5	43.3	5.6	2.9	75.3
OEM/ODM sales	原設備製造/ 原設計製造銷售	—	55.6	24.8	29.9	110.3
Total segment revenue	分部收入總額	23.5	98.9	30.4	32.8	185.6
Segment loss	分部虧損	(3.4)	(30.3)	(10.7)	(7.9)	(52.3)
Unallocated income	未經分配之收入					0.1
Unallocated expenses	未經分配之開支					(3.4)
Loss before taxation	除稅前虧損					(55.6)

Notes:

附註：

3. SEGMENT INFORMATION (Continue)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in both periods.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of interest income and unallocated expenses such as central administrative cost and finance costs. This is the measure reported to the Group's chief operating decision maker, for the purposes of resource allocation and performance assessment.

4. LOSS BEFORE TAXATION

Loss before taxation has been arrived at after charging/(crediting) the following:

Depreciation of property, plant and equipment	物業、廠房及設備之折舊
Amortisation of intangible assets	無形資產之攤銷
Net exchange losses/(gains)	淨匯兌虧損/(溢利)
Interest income	利息收入

3. 分部資料(續)

上文所報告之分部收入代表向外部客戶銷售的收入。兩個期間，皆沒有分部間之銷售。

經營分部之會計政策與本集團之會計政策相同。分部溢利/(虧損)即各分部所賺取之溢利/(虧損)，但並無就利息收入、未經分配之開支如總部行政成本及融資成本作出分配。此為向集團主要營運決策人就資源分配及表現評估作報告之計量方式。

4. 除稅前虧損

除稅前虧損已扣除/(計入)下列各項：

Six months ended June 30, 截至六月三十日止六個月

2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元
4.1	5.9
0.2	0.3
(0.3)	1.1
—	(0.1)

Notes:

附註：

5. TAXATION

The charge comprises:

Taxation of the Company and its subsidiaries:	本公司及其附屬公司稅項：
Hong Kong Profits Tax	香港利得稅
Taxation in other jurisdictions	其他司法權地區之稅項

		2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元
		—	—
		(0.6)	—
		(0.6)	—

Hong Kong profits tax has been provided at the statutory tax rate of 16.5% (1H2017: 16.5%) of the estimated assessable profits for the period less available tax losses. Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

稅項費用包括：

Six months ended June 30,
截至六月三十日止六個月

		2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元
		—	—
		(0.6)	—
		(0.6)	—

香港利得稅已根據估計期內應課稅溢利減可用稅務虧損按法定稅率16.5% (二零一七年上半年：16.5%)作出撥備。其他司法權地區之稅項乃按照有關地區現行之稅率計算。

Notes:

附註：

6. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company for the period is based on the following data:

		Six months ended June 30, 截至六月三十日止六個月	
		2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元
Loss for the period attributable to owners of the Company for the purposes of calculating basic loss per share	用以計算每股基本虧損之本公司擁有人本期間所佔之虧損	(62.3)	(55.6)

		Six months ended June 30, 截至六月三十日止六個月	
		2018 二零一八年	2017 二零一七年
Number of ordinary shares for the purposes of calculating basic loss per share	用以計算每股基本虧損之普通股股數	2,599,993,088	2,599,993,088

No diluted loss per share are presented as there were no potential dilutive ordinary shares in issue during both periods.

6. 每股虧損

本期間本公司擁有人所佔每股基本虧損乃按下列數據計算：

		Six months ended June 30, 截至六月三十日止六個月	
		2018 二零一八年 HK\$'M 港幣百萬元	2017 二零一七年 HK\$'M 港幣百萬元
Loss for the period attributable to owners of the Company for the purposes of calculating basic loss per share	用以計算每股基本虧損之本公司擁有人本期間所佔之虧損	(62.3)	(55.6)

		Six months ended June 30, 截至六月三十日止六個月	
		2018 二零一八年	2017 二零一七年
Number of ordinary shares for the purposes of calculating basic loss per share	用以計算每股基本虧損之普通股股數	2,599,993,088	2,599,993,088

由於兩個期間內並無任何已發行潛在攤薄普通股，故並無呈列每股攤薄虧損。

Notes:

附註：

7. TRADE AND OTHER RECEIVABLES

The following is an ageing analysis of trade receivables (net of provision for doubtful debts) presented based on the invoice date at the reporting date:

		As at June 30, 2018 於二零一八年 六月三十日 HK\$'M 港幣百萬元	As at December 31, 2017 於二零一七年 十二月三十一日 HK\$'M 港幣百萬元
0 to 30 days	0至30日	33.4	48.8
31 to 90 days	31日至90日	1.6	64.2
Over 90 days	90日以上	10.7	4.1
Trade receivables	貿易應收賬款	45.7	117.1
Other receivables	其他應收款項	55.0	45.4
Total trade and other receivables	貿易及其他應收款項總額	100.7	162.5

The Group normally allows credit period of 30 to 60 days to its trade customers. Customers with a long business relationship and strong financial position are allowed to settle their balances beyond the normal credit terms up to 90 days.

8. TRADE AND OTHER PAYABLES

The following is an ageing analysis of trade payables presented based on the invoice date at the end of the reporting period:

		As at June 30, 2018 於二零一八年 六月三十日 HK\$'M 港幣百萬元	As at December 31, 2017 於二零一七年 十二月三十一日 HK\$'M 港幣百萬元
0 to 30 days	0至30日	28.5	25.2
31 to 90 days	31日至90日	44.0	47.7
Over 90 days	90日以上	30.2	37.6
Trade payables	貿易應付賬款	102.7	110.5
Other payables and accruals	其他應付款項及預提費用	81.9	82.4
Total trade and other payables and accruals	貿易、其他應付款項及預提費用總額	184.6	192.9

7. 貿易及其他應收款項

於報告結算日扣除呆賬撥備之貿易應收賬款按發票日期呈列之賬齡分析如下：

本集團給予貿易客戶之信貸期一般由30日至60日不等。與本集團擁有長久業務關係及財務狀況穩固之客戶則容許其清還結餘的期限高於正常信貸期至90日。

8. 貿易及其他應付款項

於報告期間結算日之貿易應付賬款按發票日期呈列之賬齡分析如下：

Notes:

附註：

9. SHARE CAPITAL

9. 股本

		Number of shares 股份數目	Amount 金額 HK\$M 港幣百萬元
Authorised:	法定股本：		
At December 31, 2017 and June 30, 2018	於二零一七年十二月三十一日 及二零一八年六月三十日		
— ordinary shares of HK\$0.10 each	— 每股面值港幣0.10元之 普通股	20,000,000,000	2,000.0
At December 31, 2017 and June 30, 2018	於二零一七年十二月三十一日 及二零一八年六月三十日		
— ordinary shares of US\$0.10 each	— 每股面值0.10美元之普通股	10,000	—
Issued and fully paid:	已發行及繳足股本：		
At December 31, 2017 and June 30, 2018	於二零一七年十二月三十一日 及二零一八年六月三十日		
— ordinary shares of HK\$0.10 each	— 每股面值港幣0.10元之 普通股	2,599,993,088	260.0

Financial Review

業務回顧

FINANCIAL RESULTS

The Group's total revenue for the six months ended June 30 2018 was amounted to HK\$224.9 million (1H2017: HK\$185.6 million), increasing 21% compared with same period last year.

Gross profit totaled HK\$45.1 million (1H2017: HK\$33.5 million), increasing 35% compared with same period last year. Gross profit margin increased to 20% in first half of 2018, mainly due to improvement in manufacturing efficiency.

Total operating expenses of the Group, including research and development costs, distribution and selling expenses, general administrative expenses and finance cost, amounted to HK\$114.4 million (1H2017: HK\$95.2 million), the increase was due to the increase of layoff cost.

Other income and other gains and losses during first half of 2018 were recorded as net gains of HK\$7.6 million (1H2017: gains of HK\$6.1 million).

HK\$0.6 million tax expenses was provided for under provision of tax expenses in prior years (1H2017: Nil).

Losses for the six months ended June 30, 2018 was HK\$62.3 million (1H2017: loss of HK\$55.6 million).

BUSINESS REVIEW

In the first half of 2018, due to the unclear global trade prospects and the weak performance of the global economy, especially the consumer electronics market, the Company is facing a bad market environment, and it is trying to maintain its financial performance by enhancing its revenue and cutting its cost.

財務業績

截至二零一八年六月三十日止六個月，本集團錄得總收入為港幣224.9百萬元(二零一七年上半年：港幣185.6百萬元)，較去年同期上升21%。

毛利總額為港幣45.1百萬元(二零一七年上半年：港幣33.5百萬元)，較去年同期上升約35%。由於生產效率改善，於二零一八年上半年毛利率上升至20%。

本集團的總營運開支為港幣114.4百萬元(二零一七年上半年：港幣95.2百萬元)，此增加主要是因為裁員費用上升所致。該等開支包括研究及開發費用、分銷及銷售開支、一般行政開支及融資成本。

於二零一八年上半年，其他收入以及其他收益及虧損錄得淨收益港幣7.6百萬元(二零一七年上半年：收益港幣6.1百萬元)。

港幣0.6百萬元稅項開支乃因過往年度稅項開支計提不足所致(二零一七年上半年：無)。

截至二零一八年六月三十日止六個月之虧損為港幣62.3百萬元(二零一七年上半年：虧損港幣55.6百萬元)。

業務回顧

二零一八年上半年，全球貿易前景不明朗，全球經濟尤其是電子消費品市場表現疲弱，本公司面臨的市場環境不佳。本公司從開源及節流兩個方面入手，力保財務業績。

Financial Review

業務回顧

Management of the Company has adopted a series of policies to secure income of the Company, which reached HK\$224.9 million in the first half of 2018, representing an increase of 21% comparing with same period last year, of which, the income generated from Value Manufacturing Services business increased about 31% compared with same period last year due to better retention of old customer and better development of new customer, while the income generated from self-owned brand Oregon Scientific business increased slightly by 7% compared with same period last year due to launching of new product and enhancement of sales channels from offline to online channels.

At the same time, the management has put further effort on cost control by lean manufacturing, optimizing workflow, streamlining manpower to enhance production efficiency. Furthermore, the Company has largely cut down the operational cost by streamlining organization structure, compressing space etc. But as a whole, the loss of the Company increased slightly compared with same period last year due to the increase of lay off cost.

Oregon Scientific (“OS”)

In first half of 2018, sales revenue of OS business reached HK\$80.3 million (1H2017: HK\$75.3 million), representing 7% increase compared with last year, accounting for 36% of the Group’s total sales revenue. CoH and SLIT were the main product categories, accounting for 80% of OS sales.

The focus of CoH and SLIT is to enhance the value of offerings to the consumers and its competitiveness. Through a series of product development optimization, we enhanced the product features with lower product cost. Our OS team will continue to launch new products with higher competitiveness in the 2nd half of 2018.

In terms of channel development, the e-commerce team established by OS accelerated the conversion of distribution channels. Its sales revenue reached HK\$27.0 million in the 1st half of 2018, increased by 93% compared with that period in 2017. At the same time, the distribution channel conversion strategy will continue to be implemented. In the foreseeable future, OS will continue to strengthen the growth of e-commerce, invest in upgrading IT system and make full use of core online platforms including Amazon and key countries’ major platforms to reach terminal consumer directly.

本公司管理層採取一系列措施保障本公司的收入，使得本公司二零一八年上半年收入達到港幣224.9百萬元，較去年同期增長21%。其中，價值制造服務業務方面，挽回老客戶、開拓新客戶進展良好，收入較去年同期增長約31%；自有品牌Oregon Scientific業務方面，隨著新產品推出和線上線下渠道拓展的加強，收入較去年同期略增7%。

與此同時，公司管理層也加大成本控制的力度，通過積極推行精益生產、優化流程、精簡人員，提升生產效率；同時本公司通過精減組織架構、壓縮空間等，大幅節約運營成本。但整體而言，由於裁員費用大幅增加，導致本公司的虧損較去年同期略有增加。

Oregon Scientific (「OS」)

於二零一八年上半年，OS業務的銷售收入為港幣80.3百萬元(二零一七年上半年：港幣75.3百萬元)，較去年增長7%，佔本集團總銷售收入的36%。智能家居和智能教育與學習產品是主要的產品類別，佔OS銷售額的80%。

智能家居和智能教育與學習產品的重點是增強提供給消費者的產品附加價值及競爭力。通過一系列產品開發的優化，我們以較低成本增強產品功能。我們的OS團隊將於二零一八年下半年繼續推出更具競爭力的新產品。

在渠道開發方面，OS建立的電子商務團隊加快分銷渠道的轉換。二零一八年上半年的銷售收入達到港幣27.0百萬元，較二零一七年同期增長93%。同時，分銷渠道轉換策略將繼續實施。在可預見的未來，OS將繼續加強電子商務的發展，投資升級IT系統，充分利用包括亞馬遜和關鍵國家的主要平台在內的核心線上平台以直接到達終端消費者。

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業務回顧

In terms of regional distribution, OS's revenue in China increased by 141% compared with the same period of last year due to strong collaboration with distribution partners and extensive retail network in China. OS will continue to put resources for the business expansion and brand development in China in both online & offline channels. Revenue of the US business increased by 128%, revenue of France business increased by 30% and revenue of UK business increased by 17% due to the strong e-commerce business development.

Value Manufacturing Services (“VMS”)

In first half of 2018, the Group has adjusted its strategic position taking technology development as its core competency, focusing on the two largest product categories namely health & wellness and connected home. Solution proposals are offered to the world top 500 companies providing point-to-point value added manufacturing service in the areas of product design, research & development, manufacturing and supply chain solutions. At the same time, the Group has strengthened its service to VMS customers and made progress in existing customer's retention with increasing orders as well as developing new customers with potential new business in future.

In addition, the Group has actively explored the market of innovative inventors (“Original Makers”), and participated in multiple international exhibitions attracting lots of Original Makers such as Nora, Tapplock, Wrist, Bonjour and Intuition etc. The Company and Original Makers jointly developed innovative new products with advanced technology allowing Tapplock and Intuition Robotics to win the CES 2018 Innovation Award in January.

Due to the steady growth of smart health product and intelligent home control products in global market, the Company has gotten the new purchase orders from customers like Suunto, Robert, Bosch, Stages, Somfy etc., which led to the substantial growth in revenue of VMS business in the 1st half 2018. The sales revenue generated by VMS business amounted to HK\$144.6 million (1H2017: HK\$110.3 million), accounting for 64% of the Group's total revenue with an increase of 31% comparing with the same period of last year.

在區域分佈方面，由於與分銷合作夥伴以及中國大陸廣泛的零售網絡緊密合作，OS在中國區的收入比去年同期增長141%。OS將繼續於線上和線下渠道投入資源，以拓展中國區的業務發展及品牌發展。由於強勁的電子商務業務發展，美國業務收入增長128%，法國業務收入增長30%，英國業務收入增長17%。

價值製造服務(「VMS」)

於二零一八年上半年，本集團調整戰略定位，以技術研發為核心競爭力，聚焦智能運動健康及保健和智能家居兩大產品類別，致力於為世界500強公司提供從設計、研發、生產製造、供應鏈的端到端的製造增值服務。同時，本集團加強VMS老客戶維繫及新客戶的拓展工作，部分老客戶加大了訂單數量，新客戶專案訂單也有不少的儲備。

同時本集團積極拓展國外初創企業客戶(「創客」)市場，參加多個國際性展會，吸引包括Nora、Tapplock、Wrist、Bonjour及Intuition等在內的眾多創客客戶。本公司及創客共同開發具有先進技術的新產品，其中Tapplock和Intuition Robotics於一月雙雙獲得了CES 2018創新大獎。

由於全球智能運動健康類產品、智能家居類產品市場穩步增長，於二零一八年上半年，本公司的VMS業務獲取來自Suunto、Robert、Bosch、Stages及Somfy等眾多客戶的新訂單，銷售收入較去年同期大幅增長31%，達到港幣144.6百萬元(二零一七年上半年：港幣110.3百萬元)，佔本集團收入總額的64%。

Financial Review

業務回顧

In terms of product category, H&W is a major product category with sales revenue of HK\$82.2 million, accounting for 57% of the total sales revenue of VMS sales, representing 231% increase comparing with the same period of 2017. CoH is also a major product category with sales revenue of HK\$32.4 million, accounting for 22% of the total sales revenue of VMS sales.

To maintain our leading role in technology and market competitiveness, the VMS research and development team continuously establishes strategic partnership with global innovative technology partner, in order to create together a global pioneer proposal for innovative product and solution. Our H&W development team has already launched the co-operation with various strategic partners, projects has been launched with an aim to co-develop the solution of E Ink watch, NFC wearable mobile payment products, remote wireless electric charger, PWTT smart blood pressure monitor, heart rate variability measurement.

Similarly, our CoH team has co-developed solution proposal for Intelligent Home Control System on voice-control basis, with the functions of individual voice helper, big data analysis, artificial intelligence etc, users can easily, directly control intelligent home equipment by connecting to Amazon Alexa voice. In terms of over ocean communication, we maintained the customer and extended the business of Navio, Uniden etc., and independently developed products based on multi core agreements and accumulated technology.

OUTLOOK

Despite the uncertain global economy and the trade war between China and the United States of America will continue to have a considerable impact on the Group, nonetheless there are still opportunities and the Group remains confident in its strategy in 2018. With the support of our dedicated regional general manager and experienced e-commerce team, we have expanded our global coverage to capture the market share of online business. The Group continues to develop china market maximizing customer coverage from offline and online channels, and exploring opportunities in the Asian market.

在產品類別方面，智能運動健康是主要產品類別，較二零一七年同期收入增長231%，佔VMS總銷售額的57%，貢獻收入港幣82.2百萬元。而智能家居產品，佔VMS總銷售額的22%，貢獻收入港幣32.4百萬元。

為了保持技術領先性和市場競爭力，VMS研發團隊不斷和全球新技術創新合作夥伴建立戰略合作夥伴關係，共同打造全球領先的創新產品和解決方案。我們的智能運動健康研發團隊已與多個戰略夥伴合作，共同開發E Ink墨水屏手錶、NFC移動支付穿戴產品、遠距離無線充電、PWTT智能血壓測量及心率動態測量解決方案，目前項目都已啟動。

同時，研發團隊和客戶共同開發了基於語音控制的智能家居控制類解決方案，通過個人語音助手、大數據分析、人工智能等功能，讓使用者通過語音連接到亞馬遜Alexa的音箱來簡單、直接控制智能家居類設備。而在海洋通信方面，我們維繫現有客戶及拓展Navico、Uniden等客戶的業務，並根據多種核心協議和技術積累，並完成產品開發。

前景

雖然全球經濟局勢不明朗以及中美貿易戰對本集團產生一定影響，但機會仍然存在，本集團於二零一八年仍對自身策略充滿信心。在專責的區域總經理及經驗豐富的電子商務團隊的支援下，我們擴大全球業務覆蓋範圍，搶佔線上市場份額；同時本集團繼續大力開拓中國市場，最大限度地從線下以及線上渠道提升客戶覆蓋範圍，挖掘亞洲市場的機遇。

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業務回顧

Oregon Scientific

OS has finished the product roadmap for 2019 and will launch more new smart learning products.

Launching a series of new SLIT and CoH products is one of key focus in the 2nd half of 2018. The smart learning products will come with richer, scalable content and multi-languages, embedded with AR technology. We will use more advanced technologies to deliver richer user experience. Marketing campaigns are in plan with distribution partners for the launch of selected new products.

For the CoH category, a series of new cross-domain feature connection time and weather products will be launched, products are with upgraded features at more competitive pricing. An experienced product marketing team has also been established to strengthen the portfolio planning and the launch of new products.

From the perspective of channel development, OS has engaged with several new strong distribution partners in Europe to leverage and be more cost effective in selling. On parallel, the growth in the sales revenue in the markets operated by own sales force in China, US, UK and France will be sustained. E-commerce will stay as the channel gets most resources and attention to sustain the growth of this channel.

Value Manufacturing Services

Based on accumulated experiences and advances through year's development, we are entering the growing smart health and wellness and smart life style market to meet the customer's demands. As such, we have been further optimizing our product development teams to help us enter these markets.

H&W will combine wearable with health technologies like Blood Pressure, blood glucose monitoring, heart rate monitoring (HRV) to help users to manage their health and improve the quality of life in a convenient and comfort setting. In the 2nd half of 2018, the Company will mainly focus on studying and developing the following two areas: 1) smart wearable products loaded with health sensors as well as payment solution integrated seamlessly; 2) Bike accessory products include bike computer consoles, wireless remote controls etc. with the ever expanding market of traditional bicycle as well as electrical assisted bicycles.

Oregon Scientific

OS已完成二零一九年的產品規劃，並將推出更多智能教學新品。

於二零一八年下半年，本公司會推出一系列新的智能教育與學習產品，嵌入AR技術的智能教學產品將提供更豐富、可擴展的內容和多語言功能。我們將使用更先進的技術來豐富用戶的體驗。通過分銷合作夥伴的行銷活動來共同推出選定的新產品。

對於智能家居產品，本公司將推出一系列新的跨域功能連線時間和天氣產品，產品功能升級的同時，產品價格更具競爭力；本公司亦成立一個經驗豐富的產品行銷團隊，以加強產品組合規劃和新產品的推出。

從渠道開發的角度來看，OS與歐洲幾個新的強大分銷合作夥伴進行合作，以提升銷售的更佳成本效益。與此同時，我們中國、美國、英國和法國自營銷售部門運營市場的銷售收入將保持增長。電子商務作為可獲得大部分資源和關注的渠道之一，將繼續存在以維持該渠道的銷售增長。

價值製造服務

基於過往多年發展所積累的經驗及優勢，本公司順應客戶需求，進入高速增長的智能運動健康及保健和智能家居等領域。為此我們進一步優化產品研發團隊，以幫助本集團順利進入該等領域。

在智能運動健康及保健方面，公司會利用可穿戴設備和健康技術，比如血壓測量、血糖計量、心率測量(HRV)等幫助用戶更方便地管理個人健康、提高生活品質。於二零一八年下半年，本公司將重點研究及開拓以下兩個領域：1) 植入健康感測器的智能穿戴產品，以及無縫對接支付解決方案的NFC移動支付穿戴產品；2) 不斷增長的普通及電動自行車市場相關的自行車配件產品，包括數字碼錶、無線遙控器等配件。

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For CoH product, we are perfecting a smart home and lifestyle platform and developing related products for our customers, through which we can provide personalized services including home safety, temperature control, sleep management and entertainment to users. We are adding the new features such as artificial intelligence and voice control to improve the competency of our products, we are studying the smart safety applications like smart lock, smart monitor etc, and we are investing resources in technology area like NB-IoT, Lora etc for pre-research and product development to follow the trend of internet of things market and technology development, to reach more new customers in addition to current customers like Somfy, Phillips. In terms of over ocean communication, we will launch the product to the market as fast as we can to develop more customers besides Navico and Uniden and we will develop more competitive products in different segment market to explore more market.

While we swiftly enter the digital health and smart lifestyle markets, we are continuing to optimize and improve our traditional product lines, efficiency of R&D and production will be improved through standardizing R&D process and outsourcing, the cost will be utilized while functions of product will enriched to improve our competency.

WORKING CAPITAL

Inventory amount as at June 30, 2018 was HK\$123.9 million, decreasing by 5% compared to HK\$130.4 million as at December 31, 2017. The inventory turnover days increased to 133 days (December 31, 2017: 104 days).

Trade debtor amount as at June 30, 2018 was HK\$45.7 million, decreasing by 61% compared to HK\$117.1 million as at December 31, 2017. Trade debtor's turnover days decreased to 66 days (December 31, 2017: 80 days).

LIQUIDITY AND TREASURY MANAGEMENT

At June 30, 2018, the cash and bank balances of the Group were HK\$24.7 million (December 31, 2017: HK\$37.2 million).

During the six months ended June 30, 2018, the Group generated its funds mainly from operating activities. The Group are trying to optimize the financial resources and raise fund through financing activities to meet all working capital requirements.

在智能家居方面，公司正在完善相關平台，利用此平台我們可以為使用者提供其真正需要的家居和生活服務，包括家居安全、溫度控制、睡眠管理和休閒娛樂等。在產品功能方面，我們加入了人工智能語音控制的功能，同時在研究智能安全應用如智能鎖、智能監視器等方面的應用方案，並順應物聯網市場和技術發展的潮流，在NB-IoT、Lora等技術領域投入資源進行預研和產品開發，以在原有Somfy、Philips等大客戶的基礎上開發更多客戶。而海洋通信的產品開發已經完成，下半年要推向市場，在原有Navico、Uniden等基礎上開發更多的客戶；也會針對各類細分市場開發更具競爭力的產品，開拓更大的市場。

在迅速進入新的智能運動健康和智能家居生活領域的同時，公司也在不斷優化傳統產品線，通過產品開發技術標準化、外包等方式提高產品開發和生產效率，在降低產品成本的同時豐富產品功能，增強產品競爭力。

營運資金

存貨金額於二零一八年六月三十日為港幣123.9百萬元，較二零一七年十二月三十一日之港幣130.4百萬元減少5%。存貨週轉天數延長至133天(二零一七年十二月三十一日：104天)。

貿易應收賬款金額於二零一八年六月三十日為港幣45.7百萬元，較二零一七年十二月三十一日之港幣117.1百萬元減少61%。貿易應收賬款週轉天數減少至66天(二零一七年十二月三十一日：80天)。

流動資金及財務管理

於二零一八年六月三十日，本集團之現金及銀行結餘為港幣24.7百萬元(二零一七年十二月三十一日：港幣37.2百萬元)。

截至二零一八年六月三十日止六個月，本集團所產生的資金主要來自營運活動。本集團正盡力優化財務資源並通過融資活動募集資金，以滿足營運資金所需。

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業務回顧

CHARGES ON GROUP ASSETS

At June 30, 2018, there were no financial charges on the Group's assets.

CAPITAL EXPENDITURE

Capital expenditure on property, plant and equipment for the six months ended June 30, 2018 amounted to HK\$7.8 million (1H2017: HK\$14.2 million) which was primarily used for the business operation and development. Sources of funds were mainly financed by internal resources.

There were no material acquisitions or disposals of associated companies in the course of the six months ended June 30, 2018.

DIVIDEND

The Board does not recommend the payment of any dividend for the six months ended June 30, 2018 (1H2017: Nil).

CONTINGENT LIABILITIES

As we stated in the annual report of 2017, an indirect wholly-owned subsidiary of the Company, Oregon Scientific Brasil Ltda., was involved in a tax dispute with the State of Sao Paulo, the Federative Republic of Brazil, which may cause a maximum tax payment including penalty and interest of approximately Brazilian Real 3.5 million (equivalent to approximately HK\$8.4 million).

Currently, there is no update or progress after we filed the appeal for reconsideration at administrative level of the Tax Court of São Paulo in early 2018. We will keep closely monitoring the same.

本集團資產抵押

於二零一八年六月三十日，本集團概無任何用作財務抵押之資產。

資本開支

截至二零一八年六月三十日止六個月，物業、廠房及設備之資本開支為港幣7.8百萬元(二零一七年上半年：港幣14.2百萬元)，主要用於業務運作及發展。資金來源主要是內部資源撥付。

截至二零一八年六月三十日止六個月，本集團並沒有進行有關聯營公司之重大收購或出售。

股息

董事會不建議派發截至二零一八年六月三十日止六個月之股息(二零一七年上半年：無)。

或然負債

正如本公司二零一七年年報所指，本公司的間接全資附屬公司 Oregon Scientific Brasil Ltda 與巴西聯邦共和國聖保羅州發生稅務糾紛，可能導致繳納最高稅款(包括罰金及利息約為3.5百萬巴西雷亞爾(相當於約港幣8.4百萬元))。

目前，繼我們於二零一八年初向聖保羅稅務法院申請行政復議後，並無任何更新或進展。我們將繼續密切監察相關情況。

Financial Review

業務回顧

HUMAN RESOURCES AND REMUNERATION POLICY

As at June 30, 2018, the Group had approximately 882 employees (June 30, 2017: approximately 1,099 employees). The Group fully recognises the importance of its employees who contribute significantly to its success and continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular professional training.

The Group's remuneration policy is to provide compensation packages at market rates which reward individual performance and attract, retain and motivate high quality employees. The compensation packages offered by the Group are comparable with other organisations of similar size and business nature and are reviewed annually. The components of the employee remuneration package are basic salary, double pay, fringe benefits including pension scheme, medical insurance, life and personal accident insurance, employee compensation and business travel insurance as well as incentives like discretionary cash bonus.

人力資源及薪酬政策

於二零一八年六月三十日，本集團約共聘有882名僱員(二零一七年六月三十日：約1,099名僱員)。本集團深明僱員對本集團取得今日成就實在功不可沒，並為員工提供充足及定期專業培訓，藉以不斷保持及提升員工之工作表現。

本集團之薪酬政策旨在提供符合市場水平的薪津組合，以回報僱員之個人表現，並且吸引、挽留並激勵能幹員工。本集團之薪津組合可與其他規模和業務性質相若之機構提供薪津組合媲美，而本集團亦會每年對此進行檢討。僱員之薪津組合包括以下各項：基本薪金、雙糧及額外福利(包括退休保障計劃、醫療保險、人壽及個人意外保險、僱員補償及公幹保險)。此外集團亦提供酌情現金花紅等獎勵。

DIRECTORS' INTERESTS IN SECURITIES

None of the directors or chief executives of the Company or any of their associates had, as at June 30, 2018, 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 Securities and Futures Ordinance (“SFO”)) which were notified to the Company and The Stock Exchange of Hong Kong Limited (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 the provisions of the SFO) or which were recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers.

SUBSTANTIAL SHAREHOLDERS

As at June 30, 2018, the following persons (other than the directors or the chief executives of the Company) had interests or short positions in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO or as otherwise notified to the Company as follows:

Name	No. of shares held	% of the issued share capital
名稱	所持股份數目	佔已發行股本百分比
Jiangsu Hongtu High Technology Co., Ltd (<i>note 1</i>) 江蘇宏圖高科技股份有限公司 (附註1)	1,310,896,765 (L)	50.42%
Jiangsu Hongtu High Technology (Hong Kong) Co. Limited (<i>note 2</i>) 江蘇宏圖高科技 (香港) 股份有限公司 (附註2)	1,310,896,765 (L)	50.42%
Hongtu High Technology Int'l Inc.	1,310,896,765 (L)	50.42%
Chan Pau Shiu Yeng Shirley (<i>note 3</i>) 陳鮑雪瑩 (附註3)	130,412,067 (L)	5.02%
Raymond Chan (<i>note 3</i>) 陳焯文 (附註3)	130,412,067 (L)	5.02%

董事之證券權益

於二零一八年六月三十日，本公司董事或最高行政人員或彼等任何聯繫人士，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)之股份、相關股份及債權證中，擁有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香港聯合交易所有限公司(「聯交所」)(包括根據該等證券及期貨條例條文被當作或視作擁有之權益或淡倉)或本公司根據證券及期貨條例第352條須予備存之登記冊所記錄或根據上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

主要股東

於二零一八年六月三十日，除本公司董事或最高行政人員外，下列人士於本公司之股份及相關股份中，擁有本公司根據證券及期貨條例第336條須予備存之登記冊所記錄或須知會本公司之權益或淡倉如下：

SUBSTANTIAL SHAREHOLDERS (Continue)

Notes:

- (1) Jiangsu Hongtu High Technology Co., Ltd. holds 100% of the equity interests of Jiangsu Hongtu High Technology (Hong Kong) Co. Limited ("Hongtu (HK)"). Therefore, it is deemed to be interested in the interest in the shares of the Company held by Hongtu (HK) through its subsidiary (see note 2 below).
- (2) Hongtu (HK) holds 100% of the issued share of Hongtu High Technology Int'l Inc. ("Hongtu (Seychelles)"). Therefore, Hongtu (HK) is deemed to be interested in 1,310,896,765 shares of the Company beneficially owned by Hongtu (Seychelles) by virtue of its shareholding of Hongtu (Seychelles).
- (3) Mrs. Chan Pau Shiu Yeng, Shirley ("Mrs. Chan") is the wife of Dr. Raymond Chan ("Dr. Chan"). She is therefore deemed to be interested in the 130,412,067 shares of the Company held by Dr. Chan.

The letter "L" denotes the entity's long position in the shares.

Save as disclosed above, the Company had not been notified by any person (other than the directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company as at June 30, 2018 which were required to be disclosed to the Company under Part XV of the SFO or which were recorded in the register required to be kept by the Company under section 336 of the SFO.

主要股東 (續)

附註：

- (1) 江蘇宏圖高科技股份有限公司持有江蘇宏圖高科技(香港)股份有限公司(「江蘇宏圖香港」)100%股本權益，因而被視為通過其附屬公司(見下文附註2)擁有江蘇宏圖香港所持本公司股份的權益。
- (2) 江蘇宏圖香港持有Hongtu High Technology Int'l Inc. (「Hongtu (Seychelles)」)之已發行股本100%。因此，江蘇宏圖香港因持有Hongtu (Seychelles)之股權而被視為擁有Hongtu (Seychelles)實益擁有本公司1,310,896,765股股份之權益。
- (3) 陳鮑雪瑩女士(「陳女士」)為陳煒文博士(「陳博士」)之妻子。因此其被視為擁有陳博士持有本公司130,412,067股股份的權益。

「L」代表該等人士／實體在此等股份中所持之好倉。

除上文所披露者外，於二零一八年六月三十日，本公司並無獲得任何人士(本公司董事或最高行政人員除外)知會，彼於本公司之股份及相關股份中，擁有根據證券及期貨條例第XV部須向本公司披露或本公司根據證券及期貨條例第336條須予備存之登記冊所記錄之權益或淡倉。

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by officers of the Group (the "Code") on terms no less exacting than the required standard set out in the Model Code contained in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

Having made specific enquiry of all directors, they have confirmed that they complied with the required standards set out in both the Model Code and the Code throughout the six months period ended June 30, 2018.

SHARE OPTION SCHEME

The effective share option scheme (the "2012 Share Option Scheme") was adopted by the Company on August 29, 2012.

During the period under review, no share option was granted, exercised, lapsed or cancelled under the 2012 Share Option Scheme. As at June 30, 2018, there was no outstanding share option of the Company.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the review period.

CORPORATE GOVERNANCE

Throughout the period ended June 30, 2018, the Company has applied the principles and complied with all Code Provisions of the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

證券交易標準守則

本公司已就本集團高級行政人員進行證券交易採納一套行為守則（「守則」），該守則之條款不寬鬆於香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十所載所需之標準守則。

經向全體董事作出具體查詢後，全體董事均確認，彼等於截至二零一八年六月三十日止六個月內均已遵守標準守則及守則內所載之所需標準。

購股權計劃

本公司現時有效的購股權計劃（「二零一二年購股權計劃」）於二零一二年八月二十九日採納。

於回顧期內，根據二零一二年購股權計劃，概無任何購股權被授予、獲行使、失效或被取消。於二零一八年六月三十日，本公司並無已經授出但尚未行使的購股權。

購買、出售或贖回本公司之上市證券

於回顧期內，本公司及其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

企業管治

於截至二零一八年六月三十日止期間內，本公司已應用並遵守香港聯合交易所有限公司證券上市規則附錄十四所載之企業管治守則的所有原則及守則條文。

CONTINUING CONNECTED TRANSACTIONS

(1) Consignment Agreements

On June 9, 2017, 歐西亞貿易(上海)有限公司(Oregon Scientific Enterprise (Shanghai) Limited*) (“**Oregon Shanghai**”), an indirect wholly-owned subsidiary of the Company, as the consignor entered into:

- (i) the product consignment agreement and the related supplemental agreement with 北京樂語通訊連鎖沅陽採購中心有限公司(Beijing Funtalk Communication Chain Shuyang Procurement Centre Ltd.*) (“**Funtalk**”), a company established in the PRC and controlled by 三胞集團有限公司(Sanpower Group Co., Ltd.*) (“**Sanpower Group**”), a conglomerate established in the PRC, as consignee in respect of the consignment of the products of Oregon Shanghai, such as consumer electronic products developed and manufactured by Oregon Shanghai (“**Products**”) through the sales and marketing network of Funtalk in the PRC during the period from 9 June 2017 to 31 December 2019;
- (ii) the supplemental agreement of the product procurement agreement and the product procurement (consignment) agreement dated 20 April 2017 with 宏圖三胞高科技有限公司(High Tech Sanpower Co. Ltd.*) (“**HISAP**”), a company established in the PRC and controlled by Sanpower Group, as consignee in respect of the consignment of the Products through the sales and marketing network of HISAP in the PRC during the period from 20 April 2017 to 31 December 2019; and
- (iii) the supplemental agreement of the non-exclusive marketplace services agreement dated 20 April 2017 with 上海美昔貿易有限公司(Shanghai Meici Trading Limited*) (“**Meici**”), a company established in the PRC and controlled by Sanpower Group, as consignee in respect of the consignment of the Products through the sales and marketing network of Meici in the PRC during the period from 20 April 2017 to 31 December 2019.

持續關聯交易

(一) 代銷協議

於二零一七年六月九日，本公司間接全資附屬公司歐西亞貿易(上海)有限公司(Oregon Scientific Enterprise (Shanghai) Limited*) (“**歐西亞(上海)**”) (作為寄銷人)：

- (i) 與北京樂語通訊連鎖沅陽採購中心有限公司 (“**樂語**”，一間於中國成立及由三胞集團有限公司 (“**三胞集團**”，在中國成立之集團) 控制之公司) (作為承銷人)，就於二零一七年六月九日至二零一九年十二月三十一日期間透過樂語於中國之銷售及營銷網絡代銷歐西亞(上海)之產品(如歐西亞(上海)所開發及生產之電子消費產品) (“**該等產品**”) 而訂立之產品代銷協議及相關補充協議；
- (ii) 與宏圖三胞高科技有限公司 (“**宏圖三胞**”，一間於中國成立及由三胞集團控制之公司) (作為承銷人) 就於二零一七年四月二十日至二零一九年十二月三十一日期間透過宏圖三胞於中國之銷售及營銷網絡代銷該等產品而於二零一七年四月二十日訂立之產品採購協議及產品採購(代銷)協議之補充協議；及
- (iii) 與上海美昔貿易有限公司 (“**美昔**”，一間於中國成立及由三胞集團控制之公司) (作為承銷人) 就於二零一七年四月二十日至二零一九年十二月三十一日期間透過美昔於中國之銷售及營銷網絡代銷該等產品而於二零一七年四月二十日訂立之非獨家市場服務協議之補充協議。

CONTINUING CONNECTED TRANSACTIONS (Continue)

As at the date of the consignment agreements (as supplemented and amended by the supplemental agreements) (“**Consignment Agreements**”), as 江蘇宏圖高科技股份有限公司 (Jiangsu Hongtu High Technology Co., Ltd.*), a controlling shareholder of the Company, is accounted for and consolidated in the audited consolidated accounts of Sanpower Group, Sanpower Group is a connected person of the Company for the purpose of the Listing Rules. Each of HISAP, Meici and Funtalk is controlled by Sanpower Group, and thus each of HISAP, Meici and Funtalk is a connected person of the Company. Accordingly, the transactions contemplated under the Consignment Agreements constitute continuing connected transactions of the Company under the Listing Rules.

Details of the terms and conditions of the Consignment Agreements can be referred to the Company’s announcement dated June 9, 2017.

During the six months ended June 30, 2018, the aggregate commission amount paid to consignee amounted to approximately HK\$542,000.

AUDIT COMMITTEE

The Audit Committee, comprising three Independent Non-Executive Directors, Mr. Yang Xiongsheng (Chairman), Ms. Zhao Yuhong and Dr. Li Quan, has reviewed and discussed with the management of the Company the accounting principles and practices adopted by the Group, internal control and financial reporting matters including the review of the unaudited financial statements and the results of the Group for the six months ended June 30, 2018.

APPRECIATION

On behalf of the Board, I wish to express gratitude to the management team and staff members for their hard work, dedication and support to the Group throughout the review period.

On behalf of the Board
IDT International Limited
Foo Piau Phang
Chairman

Hong Kong, August 24, 2018

持續關聯交易 (續)

於代銷協議（經補充協議所補充及修訂）（「**代銷協議**」）訂立日期，由於本公司之控股股東江蘇宏圖高科技股份有限公司綜合計入三胞集團之經審核綜合賬目內，因此，根據上市規則，三胞集團為本公司之關連人士。宏圖三胞、美昔及樂語各自自由三胞集團控制，故此宏圖三胞、美昔及樂語各自為本公司之關連人士。因此，根據上市規則，代銷協議項下擬進行之交易構成本公司之關連交易。

有關代銷協議之條款及條件之詳情，請參閱本公司日期為二零一七年六月九日之公告。

於截至二零一八年六月三十日止六個月內向承銷人合計支付的佣金額約為港幣542,000元。

審核委員會

由三名獨立非執行董事楊雄勝先生(主席)、趙宇紅女士及李權博士組成之審核委員會已聯同本公司管理人員審閱及商討本集團所採納之會計準則及慣例、內部監控及財務申報事宜，當中包括審閱本集團截至二零一八年六月三十日止六個月之未經審核財務報表及業績。

致謝

本人謹代表董事會感謝全體管理層及員工於回顧期內努力不懈、對本集團盡心效力及支持。

代表董事會
萬威國際有限公司
主席
符標榜

香港，二零一八年八月二十四日



iDT

IDT INTERNATIONAL LIMITED 萬威國際有限公司

