

# ATLINKS GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8043



**Third Quarterly Report 2022**

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

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

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

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

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# Financial Highlights

The Group's revenue decreased from approximately EUR24.3 million for the nine months ended 30 September 2021 to approximately EUR21.9 million for the nine months ended 30 September 2022, representing a decrease of approximately 9.9%. The decline in revenue was mainly caused by the shortage of certain critical components required for our home telephones and senior products, and a longer transit time for products heading to Europe, which resulted in lower sales in France and Other European countries.

The Group recorded a loss attributable to the equity holders of the Company of approximately EUR0.9 million for the nine months ended 30 September 2022, compared to a profit of approximately EUR0.6 million for the nine months ended 30 September 2021.

The Directors do not recommend the payment of any dividend in respect of the nine months ended 30 September 2022.

# Management Discussion and Analysis

The board of Directors (the “**Board**”) of the Company is pleased to present the unaudited condensed consolidated results of the Group for the nine months ended 30 September 2022, together with the unaudited comparative figures for the corresponding periods in 2021.

## BUSINESS REVIEW AND OUTLOOK

The Group’s revenue decreased from approximately EUR24.3 million for the nine months ended 30 September 2021 to approximately EUR21.9 million for the nine months ended 30 September 2022, representing a decrease of approximately 9.9%. The decline in revenue was mainly caused by the shortage of certain critical components required for our home telephones and senior products, and a longer transit time for products heading to Europe, which resulted in lower sales in France and Other European countries.

The following table shows the breakdown of our revenue by product categories for the three and nine months ended 30 September 2021 and 2022:

	For the three months ended 30 September			
	2022 (Unaudited)		2021 (Unaudited)	
	EUR'000	% of total revenue	EUR'000	% of total revenue
Home telephone	<b>4,649</b>	<b>69.2%</b>	5,406	74.3%
Senior products	<b>1,270</b>	<b>18.9%</b>	1,315	18.1%
Office telephone	<b>767</b>	<b>11.4%</b>	538	7.4%
Others ( <i>Note</i> )	<b>35</b>	<b>0.5%</b>	19	0.2%
<b>Total</b>	<b>6,721</b>	<b>100.0%</b>	7,278	100.0%

	For the nine months ended 30 September			
	2022 (Unaudited)		2021 (Unaudited)	
	EUR'000	% of total revenue	EUR'000	% of total revenue
Home telephone	<b>15,924</b>	<b>72.6%</b>	17,621	72.4%
Senior products	<b>3,603</b>	<b>16.4%</b>	4,546	18.7%
Office telephone	<b>2,194</b>	<b>10.0%</b>	2,144	8.8%
Others ( <i>Note</i> )	<b>227</b>	<b>1.0%</b>	38	0.1%
<b>Total</b>	<b>21,948</b>	<b>100.0%</b>	24,349	100.0%

*Note:* Others include IP devices and other miscellaneous products.

Sales of home telephone segment for the nine months ended 30 September 2022 were approximately EUR15.9 million, representing a decrease of approximately 9.6% as compared to the corresponding period in 2021.

Sales of the senior products category for the nine months ended 30 September 2022 has dropped by approximately EUR0.9 million or 20.8%.

The decrease in revenue for home telephones and senior products was mainly caused by the shortage of some critical components and a longer transit time to Europe.

Sales of office telephone products has remained relatively stable at approximately EUR2.2 million, which represents approximately 10% of our total revenue for the nine months ended 30 September 2022.

The following table sets out the breakdown of the Group's revenue by geographical location of the shipment destination of our products covering all our business segments (Note 1).

	For the three months ended 30 September 2022 (Unaudited)		2021 (Unaudited)	
	EUR'000	% of total revenue	EUR'000	% of total revenue
France	2,502	37.2%	3,824	52.5%
Other European countries (Note 2)	1,950	29.0%	2,026	27.8%
APAC/Russia/MEA (Note 3)	921	13.7%	738	10.2%
Latin America (Note 4)	1,348	20.1%	690	9.5%
<b>Total</b>	<b>6,721</b>	<b>100.0%</b>	<b>7,278</b>	<b>100.0%</b>

	For the nine months ended 30 September 2022 (Unaudited)		2021 (Unaudited)	
	EUR'000	% of total revenue	EUR'000	% of total revenue
France	10,622	48.4%	13,327	54.7%
Other European countries (Note 2)	5,263	24.0%	6,496	26.7%
APAC/Russia/MEA (Note 3)	2,526	11.5%	2,274	9.3%
Latin America (Note 4)	3,537	16.1%	2,252	9.3%
<b>Total</b>	<b>21,948</b>	<b>100.0%</b>	<b>24,349</b>	<b>100.0%</b>

Notes:

1. The geographical breakdown was prepared based on shipping destination without taking into account the re-export or onward sales (if any) of our products by our customers.
2. Other European countries include but are not limited to Germany, UK, Benelux, Spain, Italy, Portugal and Switzerland but excludes France.
3. APAC/Russia/MEA include but are not limited to Asia Pacific Region, Russia and Middle East area.
4. Latin America includes Argentina, Chile, Mexico, Peru and others.

## Management Discussion and Analysis

Sales to France for the nine months ended 30 September 2022 has dropped by approximately 20.3% to approximately EUR10.6 million as compared to the corresponding period in 2021. This represented approximately 48.4% of our total revenue for nine months ended 30 September 2022.

Sales to other European countries for the nine months ended 30 September 2022 have dropped by approximately 19.0% to approximately EUR5.3 million as compared to the corresponding period in 2021.

The decrease in revenue for sales to France and other European countries was mainly caused by the shortage of some critical components and a longer transit time.

Our sales to the Asia Pacific Region, Russia and Middle East area have grown by approximately 11.1% to approximately EUR2.5 million as compared to the corresponding period in 2021.

Our sales to Latin America have grown by approximately 57.0% to approximately EUR3.5 million as compared to the corresponding period in 2021.

### **OUTLOOK**

Revenue for Q3 2022 has dropped compared to Q2 2022. This decline was mainly driven by the shortage of some critical components. We foresee that this component shortage issue will gradually be resolved in Q4 2022.

Gross profit margin for Q3 2022 has improved compared to Q2 2022. Our team has put in great effort to recover the gross profit margin in such a short period of time. We expect to see a stable margin to be recovered in the coming months.

Our goal is to gain market share in the home telephone business through the introduction of reengineered products, products with enriched features to cover more price points on the shelf and to expand geographically. In the senior products market, we will continue to expand our product range aimed at the visually and hearing impaired, provide ancillary services for our mobile devices, and further strengthen the Swissvoice and Amplicomms brands.

We look at this complex business environment as an opportunity for Atlinks. Customer demand has been robust, and we have a strong order book on hand. Together with our strong distribution network, a good engineering team, and the measures that have been put in place, we are confident that Atlinks will emerge stronger, ready for more growth!

## **FINANCIAL REVIEW**

### **Cost of Sales and Gross Profit**

The majority of the Group's cost of sales comprised of cost of inventories and depreciation and amortisation. The cost of sales decreased by approximately 5.0% from approximately EUR16.6 million for the nine months ended 30 September 2021 to approximately EUR15.8 million for the nine months ended 30 September 2022.

Gross profit margin decreased from approximately 31.6% for the nine months ended 30 September 2021 to approximately 28.0% for the nine months ended 30 September 2022, which is mainly driven by the increase in costs of materials and impacted by the depreciation in the Euro against USD when comparing the nine months ended 30 September 2022 to the corresponding period in 2021.

### **Selling and Distribution Expenses**

Selling and distribution expenses decreased from approximately EUR2.9 million for the nine months ended 30 September 2021 to approximately EUR2.5 million for the nine months ended 30 September 2022, which mainly resulted from the decrease in marketing expenses.

### **Administrative Expenses**

Administrative expenses was relatively stable at approximately EUR3.8 million for the nine months ended 30 September 2021 and approximately EUR3.9 million for the nine months ended 30 September 2022, respectively.

### **(Loss)/profit attributable to the Equity Holders of the Company**

As a result of the above, the Group recorded a loss of approximately EUR0.9 million for the nine months ended 30 September 2022, compared to a profit of approximately EUR0.6 million for the nine months ended 30 September 2021.

### **Dividend**

The Board does not recommend the payment of a dividend for the nine months ended 30 September 2022.



# Other Information

## **PURCHASE, SALE OR REDEMPTION OF SECURITIES**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares for the nine months ended 30 September 2022.

## **SHARE OPTION SCHEME**

The share option scheme of the Company (the "**Share Option Scheme**") was conditionally adopted pursuant to a resolution passed by the Company's shareholders on 21 December 2017 for the primary purposes to attract, retain and motivate talented participants, to strive for future developments and expansion of the Group.

No share options have been granted/exercised/cancelled/lapsed under the Share Option Scheme during the nine months ended 30 September 2022. As at 30 September 2022, the Company has no outstanding share option under the Share Option Scheme.

## **DIRECTOR'S AND CHIEF EXECUTIVE'S INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY**

At 30 September 2022, the interests and short positions of the Directors and the chief executives of the Company in the Shares, underlying Shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) ("**SFO**") which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) have to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

## Long positions in shares of the Company

Name of Director	Name of Group member/ associated corporation	Capacity/nature of interest	Number and class of securities	Approximate percentage of shareholding
Didier Paul Henri Goujard ("Mr. Goujard") (Note 1)	Eiffel Global Limited ("Eiffel Global")	Interest in a controlled corporation	1,183 ordinary shares	11.83%
Jean-Alexis René Robert Duc ("Mr. Duc") (Note 2)	Eiffel Global	Beneficial owner	967 ordinary shares	9.67%
Ho Dora ("Ms. Ho") (Note 2)	Eiffel Global	Beneficial owner	350 ordinary shares	3.5%
Long Hak Kan ("Mr. Long") (Note 2)	Our Company	Interest of spouse	300,000,000 ordinary shares	75%
	Eiffel Global	Interest of spouse	7,500 ordinary shares	75%
	Talent Ocean Holdings Limited ("TOHL")	Interest of spouse	510 ordinary shares	51%
Tong Chi Hoi ("Mr. Tong")	TOHL	Interest in a controlled corporation	490 ordinary shares	49%

### Notes:

- (1) These Shares were held by Argento Investments Limited ("AIL"), which is wholly-owned by Mr. Goujard.
- (2) These Shares were held by Eiffel Global, which was in turn owned as to 75% by TOHL, 11.83% by AIL, 9.67% by Mr. Duc and 3.5% by Ms. Ho. TOHL is owned as to 51% by Chu Lam Fong ("Ms. Chu"). Mr. Long is the spouse of Ms. Chu. He is deemed or taken to be interested in the Shares of which Ms. Chu is interested in under the SFO.

Save as disclosed above, as at 30 September 2022, none of the Directors and chief executives of the Company had any interest or short position in the Shares, underlying shares and debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange under Divisions 7 and 8 of Part XV of the SFO (including any interests or short positions which they are taken or deemed to have under such provisions of the SFO) or required to be entered in the register of the Company pursuant to section 352 of the SFO, or required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## Other Information

### DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

There is no contract of significance to which the Company or any of its subsidiaries and the controlling shareholders of the Company or any of its subsidiaries was a party and in which the Directors had a material interest, whether directly or indirectly, subsisted during or at the end of the nine months ended 30 September 2022.

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 September 2022, to the best of the Directors' knowledge, the following shareholders had, or were deemed to have, interests or short positions, in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

#### Long positions in shares of the Company

Name	Capacity	Number of shares	Percentage of shareholding
Eiffel Global	Beneficial owner	300,000,000	75%
TOHL <i>(Note 1)</i>	Interest of controlled corporation	300,000,000	75%
Ms. Chu	Interest of controlled corporation	300,000,000	75%
Mr. Tong	Interest of controlled corporation	300,000,000	75%
Mr. Long <i>(Note 2)</i>	Interest of spouse	300,000,000	75%
Ng Ching Yi Doris <i>("Ms. Ng") (Note 3)</i>	Interest of spouse	300,000,000	75%

#### Notes:

1. TOHL is deemed or taken to be interested in all the Shares which are beneficially owned by Eiffel Global under the SFO. Eiffel Global is owned as to 75% by TOHL, 11.83% by AIL, 9.67% by Mr. Duc, and 3.5% by Ms. Ho respectively.
2. Mr. Long is the spouse of Ms. Chu and he is deemed or taken to be interested in all the Shares which are beneficially owned by Ms. Chu under the SFO.
3. Ms. Ng is the spouse of Mr. Tong and she is deemed or taken to be interested in all the Shares which are beneficially owned by Mr. Tong under the SFO.

Save as disclosed above, as at 30 September 2022, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company which were required to be disclosed under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

## COMPETING BUSINESS

During the reporting period and up to the date of this report, the Directors are not aware of any business or interest of the Directors, controlling shareholders, the management of the Company and their respective associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person either directly or indirectly has or may have with the Group.

## CORPORATE GOVERNANCE PRACTICES

The Board considers good corporate governance a key element in managing the business and affairs of the Group. The management of the Group periodically reviews and proposes amendments to its corporate governance practices for compliance with the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 15 of the GEM Listing Rules. The Board is of the opinion that the Company has complied with the CG Code during the nine months ended 30 September 2022 and up to the date of this report.

## AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) currently consists of three independent non-executive Directors of the Company, chaired by Ms. Lam Lai Ting Maria Goretti and the other two members are Ms. Chan Cheuk Man Vivian and Ms. Lee Kit Ying Catherine.

The condensed consolidated financial statements of the Group for the nine months ended 30 September 2022 are unaudited, but have been reviewed by the Audit Committee.

## PUBLICATION OF INFORMATION ON WEBSITES

This third quarterly report is available for viewing on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and on the website of the Company at [www.atlinks.com](http://www.atlinks.com).

By the order of Board

**Long Hak Kan**

*Chairman*

9 November 2022

# Unaudited Condensed Consolidated Income Statement

For the nine months ended 30 September 2022

The Board is pleased to announce the unaudited consolidated results of the Group for the three months and nine months ended 30 September 2022, together with the comparative figures for the corresponding period in 2021 which have been reviewed and approved by the audit committee of the Company (the "Audit Committee"), as follows:

	Notes	Three months ended 30 September		Nine months ended 30 September	
		2022	2021	2022	2021
		EUR (Unaudited)	EUR (Unaudited)	EUR (Unaudited)	EUR (Unaudited)
Revenue	3	6,721,076	7,278,462	21,948,070	24,349,125
Cost of sales		(4,646,196)	(4,985,076)	(15,812,192)	(16,642,838)
Gross profit		2,074,880	2,293,386	6,135,878	7,706,287
Selling and distribution expenses		(769,677)	(1,000,896)	(2,463,187)	(2,937,827)
Administrative expenses		(1,297,164)	(1,139,939)	(3,908,374)	(3,769,965)
<b>Other gain/(loss)</b>		8,039	152,551	(236,183)	998,495
– Exchange difference		(220,165)	(54,538)	(515,213)	(235,682)
– Fair value changes on financial assets/ liabilities at fair value through profit or loss		(24,056)	26,608	31,376	185,374
<b>Operating (loss)/profit</b>		(236,182)	124,621	(720,020)	948,187
Finance income		707	17	1,038	60
Finance costs		(143,768)	(87,128)	(372,133)	(291,091)
Finance costs, net		(143,061)	(87,111)	(371,095)	(291,031)
<b>(Loss)/profit before income tax</b>		(379,243)	37,510	(1,091,115)	657,156
Income tax credit/(expenses)	4	83,125	1,961	207,959	(106,709)
<b>(Loss)/profit for the period</b>		(296,118)	39,471	(883,156)	550,447
Attributable to:					
Equity holders of the Company		(296,118)	39,471	(883,156)	550,447
Non-controlling interests		–	–	–	–
		(296,118)	39,471	(883,156)	550,447
<b>(Loss)/earnings per share</b>					
– Basic and diluted (expressed in Euro cents per share)	5	(0.07)	0.01	(0.22)	0.14

# Unaudited Condensed Consolidated Statement of Comprehensive Income

For the nine months ended 30 September 2022

	Three months ended 30 September		Nine months ended 30 September	
	2022 EUR (Unaudited)	2021 EUR (Unaudited)	2022 EUR (Unaudited)	2021 EUR (Unaudited)
<b>(Loss)/profit for the period</b>	<b>(296,118)</b>	39,471	<b>(883,156)</b>	550,447
<b>Other comprehensive income</b>				
<i>Items that may be reclassified to profit or loss:</i>				
Currency translation differences	<b>309,228</b>	87,341	<b>593,000</b>	144,030
<i>Items that will not be reclassified to profit or loss:</i>				
Remeasurement of defined benefit retirement plans, net of tax	–	–	–	16,158
<b>Other comprehensive income for the period</b>	<b>309,228</b>	87,341	<b>593,000</b>	160,188
<b>Total comprehensive (loss)/income for the period</b>	<b>13,110</b>	126,812	<b>(290,156)</b>	710,635
Attributable to:				
Equity holders of the Company	<b>13,110</b>	126,812	<b>(290,156)</b>	710,635
Non-controlling interests	–	–	–	–
	<b>13,110</b>	126,812	<b>(290,156)</b>	710,635

# Unaudited Condensed Consolidated Statement of Changes in Equity

For the nine months ended 30 September 2022

	Share capital EUR	Merger reserve EUR	Share premium EUR	Other reserve EUR	Retained earnings EUR	Total EUR
<b>Balances at 1 January 2021 (Audited)</b>	417,819	4,386,123	3,557,226	(83,759)	(314,000)	7,963,409
<b>Comprehensive income</b>						
Profit for the period	-	-	-	-	550,447	550,447
<b>Other comprehensive income</b>						
Currency translation difference	-	-	-	144,030	-	144,030
Remeasurement of defined benefit retirement plans, net of tax	-	-	-	16,158	-	16,158
<b>Other comprehensive income</b>	-	-	-	160,188	-	160,188
<b>Total comprehensive income for the period</b>	-	-	-	160,188	550,447	710,635
Interim dividend 2021 approved and paid during the period	-	-	-	-	(175,401)	(175,401)
<b>Balances at 30 September 2021 (Unaudited)</b>	417,819	4,386,123	3,557,226	76,429	61,046	8,498,643
<b>Balances at 1 January 2022 (Audited)</b>	<b>417,819</b>	<b>4,386,123</b>	<b>3,557,226</b>	<b>232,104</b>	<b>(284,218)</b>	<b>8,309,054</b>
<b>Comprehensive loss</b>						
Loss for the period	-	-	-	-	(883,156)	(883,156)
<b>Other comprehensive income</b>						
Currency translation difference	-	-	-	593,000	-	593,000
Other comprehensive income	-	-	-	593,000	-	593,000
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	593,000	(883,156)	(290,156)
<b>Balances at 30 September 2022 (Unaudited)</b>	<b>417,819</b>	<b>4,386,123</b>	<b>3,557,226</b>	<b>825,104</b>	<b>(1,167,374)</b>	<b>8,018,896</b>

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

# Notes to the Unaudited Condensed Consolidated Financial Statements

## 1 GENERAL INFORMATION

Atlinks Group Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered address of the Company is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman, KY1-1108, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (the “**Group**”) are principally engaged in designing, developing and selling home and office telecommunication products to retailers, telecommunication operators and distributors customers all around the world (except North America) under three brands, namely Alcatel, Swissvoice and Amplicomms.

The unaudited condensed consolidated financial statements are presented in EURO (“**EUR**”) unless otherwise stated.

## 2 BASIS OF PREPARATION

This unaudited condensed consolidated financial statements of the Group for the nine months ended 30 September 2022 has been prepared in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the applicable disclosure requirements of the Rules Governing the Listing of the Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”). The unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements of the Group in the annual report for the year ended 31 December 2021 (“**2021 Annual Report**”). The accounting policies used in the preparation of this unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the 2021 Annual Report, except for the adoption of new and revised HKFRSs which are effective for accounting periods beginning on or after 1 January 2022.

## 3 REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker (“**CODM**”) has been identified as the Company’s executive directors, who review the Group’s internal reporting in order to assess performance and allocate resources.

The Group’s principal activity is trading and development of telecommunication equipment. For the purpose of resources allocation and assessment of performance, the CODM regularly reviews the Group’s performance based on revenue and gross profit margin. No other discrete financial information was provided to the CODM. As the Group’s resources are integrated and there are no discrete operating segment assets and liabilities reported to the CODM, accordingly, no separate segment information is presented.



**3 REVENUE AND SEGMENT INFORMATION** *(Continued)***(a) Revenue by product type**

The Group is principally engaged in designing, developing, and the selling of home and office telecommunication products. Revenue recognised during the respective period analysed by type of products is as follows:

	Three months ended		Nine months ended	
	30 September		30 September	
	2022 EUR (Unaudited)	2021 EUR (Unaudited)	2022 EUR (Unaudited)	2021 EUR (Unaudited)
Revenue				
Home telephone	4,648,358	5,405,697	15,923,703	17,621,300
Senior products	1,270,270	1,315,610	3,602,673	4,546,026
Office telephone	767,369	538,359	2,194,125	2,143,822
Others	35,079	18,796	227,569	37,977
	<b>6,721,076</b>	7,278,462	<b>21,948,070</b>	24,349,125

**(b) Revenue by location**

Revenue from external customers by country, based on the location to which the goods were delivered, is as follows:

	Three months ended		Nine months ended	
	30 September		30 September	
	2022 EUR (Unaudited)	2021 EUR (Unaudited)	2022 EUR (Unaudited)	2021 EUR (Unaudited)
France	2,501,325	3,823,438	10,622,019	13,326,325
Other European countries <i>(Note i)</i>	1,950,294	2,026,296	5,263,450	6,496,194
APAC/Russia/MEA <i>(Note ii)</i>	921,340	738,547	2,525,943	2,274,182
Latin America <i>(Note iii)</i>	1,348,117	690,181	3,536,658	2,252,424
	<b>6,721,076</b>	7,278,462	<b>21,948,070</b>	24,349,125

Notes:

- i. Other European countries include but are not limited to Germany, UK, Benelux, Spain, Italy, Portugal and Switzerland but excludes France.
- ii. APAC/Russia/MEA include but are not limited to Asia Pacific Region, Russia and Middle East area.
- iii. Latin America includes Argentina, Chile, Mexico, Peru and others.

#### 4 INCOME TAX (CREDIT)/EXPENSES

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the nine months ended 30 September 2022 (2021: 16.5%).

Corporate income tax on profits from a subsidiary operating in Mainland China has been calculated at 25% for the nine months ended 30 September 2022 (2021: 25%).

Corporate income tax on profits from a subsidiary operating in France has been calculated at 25% in accordance with the relevant France tax laws and regulations for nine months ended 30 September 2022 (2021: 26.5%).

##### Income tax (credit)/expenses

	Three months ended		Nine months ended	
	30 September		30 September	
	2022	2021	2022	2021
	EUR	EUR	EUR	EUR
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current income tax	26,776	34,410	34,883	67,479
Deferred income tax	(109,901)	(36,371)	(242,842)	39,230
	(83,125)	(1,961)	(207,959)	106,709

**5 (LOSS)/EARNINGS PER SHARE****(a) Basic (loss)/earnings per share**

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the number of ordinary shares in issue during the respective period.

	Three months ended 30 September		Nine months ended 30 September	
	2022 (Unaudited)	2021 (Unaudited)	2022 (Unaudited)	2021 (Unaudited)
(Loss)/profit attributable to equity holders of the Company (Euro)	<b>(296,118)</b>	39,471	<b>(883,156)</b>	550,447
Number of shares in issue (thousands)	<b>400,000</b>	400,000	<b>400,000</b>	400,000
Basic (loss)/earnings per share (expressed in Euro cents per share)	<b>(0.07)</b>	0.01	<b>(0.22)</b>	0.14

**(b) Diluted earnings per share**

Diluted earnings per share is the same as the basic earnings per share as there were no potential dilutive ordinary shares issued during the respective period.

**6 DIVIDEND**

No dividend has been paid or declared by the Company during the nine months ended 30 September 2022 (2021: EUR175,401).