AMAX INTERNATIONAL HOLDINGS LIMITED
奧瑪仕國際控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 959)

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2017

FINANCIAL HIGHLIGHTS

- The financial information of Greek Mythology, was still unavailable to the Company for the preparation of consolidated financial statements. The Company made respective impairment losses of the interest in Greek Mythology and the amount due from Greek Mythology. The total amount of impairment losses related to Greek Mythology were approximately HK$901.2 million.

- Net loss for the financial year ended 31 March 2017 amounts to approximately HK$988.5 million, compared to approximately HK$49.0 million for the financial year ended 31 March 2016. The increase in loss was mainly due to recognition of impairment losses which are non-cash in nature and do not have any impact on the cash flow of the Group.

- Loss per share amounts to approximately HK$1.96 compared to approximately HK$0.12 (restated) last year.

- The Group's net assets amount to approximately HK$332.9 million, decreased by approximately HK$875.0 million and represent approximately 72.4% decrease as compared to the figure last year.

The board (the "Board") of directors (the "Directors") of Amax International Holdings Limited ("Amax" or the "Company") hereby announces the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the financial year ended 31 March 2017 (the "2017 Annual Results"), as follows:

The 2017 Annual Results of the Group do not reflect the actual performances of Greek Mythology (Macau) Entertainment Group Corporation Limited ("Greek Mythology" or the "Associate"), an associate of the Company which operates and manages Greek Mythology Casino, due to the failure in accessing Greek Mythology's financial information in a timely manner. The Company will make further announcement once relevant financial information of the Associate is obtained.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 March 2017

	Note	**2017** ***HK$'000***	2016 *HK$'000*
Revenue	4	**11,401**	10,486
Cost of sales		**(4,957)**	(3,085)
Gross profit		**6,444**	7,401
Other income	5	**4**	1
Impairment losses of intangible assets	11	**(41,910)**	–
Impairment losses of amount due from an associate		**(63,567)**	–
Impairment losses of interest in an associate		**(837,641)**	–
Selling and distribution expenses		**(44)**	(1,291)
General and administrative expenses		**(56,996)**	(42,526)
Gain on disposals of subsidiaries		**5,533**	–
Finance costs	6	**(343)**	(12,552)
Loss before taxation		**(988,520)**	(48,967)
Income tax	8	**–**	–
Loss for the year		**(988,520)**	(48,967)
Attributable to:			
Owners of the Company		**(983,869)**	(43,136)
Non-controlling interests		**(4,651)**	(5,831)
Loss for the year		**(988,520)**	(48,967)
			(Restated)
Loss per share			
– Basic (HK cents)	10	**(195.78)**	(11.65)
– Diluted (HK cents)	10	**(195.78)**	(11.65)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 March 2017

	2017	2016
	HK$'000	*HK$'000*
Loss for the year	**(988,520)**	(48,967)
Other comprehensive expense for the year		
Item that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	**2**	(10)
Exchange reserve reclassified on disposal of subsidiaries	**(189)**	–
Total comprehensive expense for the year	**(988,707)**	(48,977)
Total comprehensive expense attributable to:		
Owners of the Company	**(984,057)**	(43,140)
Non-controlling interests	**(4,650)**	(5,837)
	(988,707)	(48,977)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2017

	Note	**2017**	2016
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**13,819**	8,328
Intangible assets	11	**139,227**	161,670
Goodwill		**–**	–
Interest in an associate		**353,568**	1,191,209
Deposits paid for acquisition of computer software and property, plant and equipment		**4,493**	10,920
		511,107	1,372,127
Current assets			
Trade and other receivables	12	**27,117**	96,306
Cash and cash equivalents		**1,175**	2,473
		28,292	98,779
Current liabilities			
Trade and other payables	13	**201,958**	217,507
Obligations under a finance lease		**380**	380
Other borrowings		**3,750**	4,260
Promissory notes		**–**	39,998
		206,088	262,145
Net current liabilities		**(177,796)**	(163,366)
Total assets less current liabilities		**333,311**	1,208,761
Non-current liabilities			
Obligations under a finance lease		**449**	829
NET ASSETS		**332,862**	1,207,932
Capital and reserves			
Share capital		**119,960**	65,587
Reserves		**161,731**	1,085,440
Total equity attributable to owners of the Company		**281,691**	1,151,027
Non-controlling interests		**51,171**	56,905
TOTAL EQUITY		**332,862**	1,207,932

1. BASIS OF PREPARATION

The annual results set out in the announcement do not constitute the Group's consolidated financial statements for the year ended 31 March 2017 but are extracted from those consolidated financial statements. The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements also include applicable disclosure required by the Rules Governing the Listing of Securities of the Stock Exchange (the "Listing Rules") and by the Hong Kong Companies Ordinance ("CO").

(i) Going Concern

In preparing the consolidated financial statements, the directors have considered the future liquidity of the Group in view of its recurring losses incurred and net current liabilities position as at 31 March 2017. The Group incurred a consolidated net loss from operations attributable to owners of the Company of approximately HK$983,869,000 for the year ended 31 March 2017, and had consolidated net current liabilities of approximately HK$177,796,000 as at 31 March 2017.

The directors adopted the going concern basis in the preparation of the consolidated financial statements based on the fundamental assumptions that it would improve the working capital position, the immediate liquidity and the cash flow position of the Group by successfully obtaining the unsecured loan facility from an independent third party up to HK$250,000,000. The loans carrying interest at 24% per annum. The facility has not been utilised up to the date of approval of these consolidated financial statements.

In the opinion of the directors, in light of the aforesaid arrangement implemented to date, the Group will have sufficient working capital for its current requirements and it is reasonable to expect that the Group will remain as a commercially viable concern. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements for the year ended 31 March 2017 on a going concern basis. Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for future liabilities which might arise and to reclassify non-current assets and non-current liabilities to current respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

(ii) Historical cost basis of preparations

The consolidated financial statements have been prepared on the historical cost basis, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has adopted the following amended HKFRSs and Hong Kong Accounting Standards ("HKASs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are relevant to its operations and effective for its accounting year beginning on 1 April 2016.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interest in Joint Operations
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle
HKFRS 14	Regulatory Deferral Accounts
Amendments to HKAS 27 (2011)	Equity Method in Separate Financial Statements

Except as described below, the application of the above amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Amendments to HKAS 1 "Disclosure Initiative"

The Group has applied the amendments to HKAS 1 "Disclosure Initiative" for the first time in the current year. The amendments to HKAS 1 clarify that an entity does not need to provide a specific disclosure required by an HKFRSs if the information resulting from that disclosure is not material, and give guidance on the bases of aggregating and disaggregating information. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in HKFRS is insufficient to enable users of consolidated financial statements to understand the impact of particular transactions, events and conditions on the entity's financial position and financial performance. As regards the structure of the consolidated financial statements, the amendments provide examples of systematic ordering or grouping of the notes. Furthermore, the amendments require that an entity's share of the other comprehensive income of associates accounted for using the equity method should be presented separately from those arising from the Group, and should be separated into the share of items that, in accordance with other HKFRSs: (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met. Other than such a change in presentation, the application of these amendments has not resulted in any impact on the financial performance or financial position of the Group.

3. SEGMENT REPORT

The Group principally has one operating segment, which is the investments in gaming and entertainment related businesses. Therefore, no segment information has been presented in these consolidated financial statements. Additional information about geographical information and major customer of the Group has been disclosed in notes (a) and (b) below.

(a) Major customer

Revenue of HK$4,800,000 (2016: HK$4,800,000) was receivable from Greek Mythology, an associate of the Group, for the year ended 31 March 2017.

(b) Geographical

The Group's revenue from external customers by geographical market is as follows:

	2017	2016
	HK$'000	*HK$'000*
Macau	**4,800**	4,800
PRC (excluding Macau and Hong Kong)	**1**	5,686
Republic of Vanuatu ("Vanuatu")	**6,600**	–
	11,401	10,486

The Group's information about its non-current assets by geographical location of the assets is as follows:

	2017	2016
	HK$'000	*HK$'000*
Macau	**359,706**	1,199,391
PRC (excluding Macau and Hong Kong)	**–**	496
Hong Kong	**29,863**	2,235
Vanuatu	**121,538**	170,005
	511,107	1,372,127

4. REVENUE

The Group is principally engaged in investment holdings and investments in gaming and entertainment related businesses.

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

	2017	2016
	HK$'000	*HK$'000*
Revenue from investments in gaming and entertainment related businesses		
– Investment in VIP gaming tables related operation	**3,600**	3,600
– Investment in slot machines related operation	**1,200**	1,200
– Investment in gaming operation in Vanuatu	**6,600**	–
Commission income on provision of services to Guangxi Welfare Lottery Issue Centre	**1**	5,686
	11,401	10,486

5. OTHER INCOME

An analysis of the Group's other income are as follows:

	2017	2016
	HK$'000	*HK$'000*
Other revenue		
Interest income from banks	**2**	1
Exchange gain	**2**	–
	4	1

6. FINANCE COSTS

	2017	2016
	HK$'000	*HK$'000*
Interest on promissory notes	**2**	12,300
Finance charges on obligations under a finance lease	**31**	42
Interest on other borrowings	**310**	210
Total interest expenses on financial liabilities not at fair value through profit or loss	**343**	12,552

7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

(a) Staff costs (including directors' emoluments)

	2017	2016
	HK$'000	*HK$'000*
Equity-settled share-based payment expenses	**697**	–
Salaries, allowance and other benefits	**10,196**	13,146
Contributions to defined contribution retirement plans	**130**	258
	11,023	13,404

(b) Other items

	2017	2016
	HK$'000	*HK$'000*
Depreciation of property, plant and equipment	**4,964**	1,455
Amortisation of intangible assets	**11,133**	2,045
Auditors' remuneration	**810**	775
Equity-settled share-based payment expenses to consultants	**427**	–
Written off of other receivables	**3,672**	–
Operating lease charges in respect of premises:		
– minimum lease payments	**4,975**	4,294
Written off of deposits paid for acquisition of computer software and property, plant and equipment	**–**	1,242

8. INCOME TAX

Pursuant to the rules and regulations of Bermuda, British Virgin Islands ("BVI") and Vanuatu, the Group is not subject to any income tax in Bermuda, BVI and Vanuatu.

No provision for Hong Kong Profits Tax, Macau Complementary Income Tax and the People's Republic of China Enterprise Income Tax has been made (2016: Nil) as the companies in the Group have no assessable profits for the year in the relevant tax jurisdictions.

9. DIVIDENDS

The Directors do not recommend the payment of a dividend for the year ended 31 March 2017 (2016: Nil).

10. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share was based on the loss attributable to owners of the Company of HK$983,869,000 (2016: HK$43,136,000) and the weighted average number of 502,538,000 (2016 restated: 370,195,000) ordinary shares in issue during the year.

(b) Diluted loss per share

No adjustment has been made to the basic loss per share amounts presented for the years ended 31 March 2017 and 2016 in respect of the potential dilution of share options as the impact of the share options had an anti-dilutive effect on the basic loss per share amounts presented.

11. INTANGIBLE ASSETS

	Mobile game applications HK$'000 *(Note c)*	Rights in sharing of profit stream of VIP gaming tables operation HK$'000 *(Note a)*	Rights in sharing of profit stream of slot machine related operation HK$'000 *(Note a)*	Gaming license HK$'000 *(Note b)*	Total HK$'000
Costs					
At 1 April 2015, 31 March 2016 and 1 April 2016	–	20,000	47,092	153,488	220,580
Acquisition of mobile game apps	30,600	–	–	–	30,600
At 31 March 2017	30,600	20,000	47,092	153,488	251,180
Accumulated amortisation and impairment losses					
At 1 April 2015	–	12,323	44,542	–	56,865
Charge for the year	–	1,535	510	–	2,045
At 31 March 2016 and 1 April 2016	–	13,858	45,052	–	58,910
Charge for the year	–	1,536	509	9,088	11,133
Impairment losses	2,300	–	–	39,610	41,910
	2,300	15,394	45,561	48,698	111,953
Net carrying amounts					
At 31 March 2017	28,300	4,606	1,531	104,790	139,227
At 31 March 2016	–	6,142	2,040	153,488	161,670

The amortisation charge for the year is included in "general and administrative expenses" in the consolidated statement of profit or loss.

Notes:

a) The intangible assets relate to the Group's rights to share a portion of the net gaming wins from certain gaming tables in the high rolling gaming area and certain slot machines in Greek Mythology Casino in Macau for 14 years from 16 February 2007. With effect from 1 October 2010, the Group granted the associate, Greek Mythology, the right to operate and manage the aforesaid gaming tables and slot machines. In return, the Group earns fixed monthly income of HK$300,000 and HK$100,000 from Greek Mythology in respect of the VIP gaming tables and slot machines operations, respectively, and no longer shares the net gaming wins. Taking into consideration the future monthly income, the Directors consider that there is no indication of impairment in the carrying amount of the intangible assets.

b) Gaming license, which was acquired through acquisition of subsidiaries on 11 November 2014, represents the interactive gaming license for the corresponding subsidiary to conduct gaming business in Vanuatu. The useful life of the gaming license is 15 years from February 2014.

During the year, the Group assessed the recoverable amounts of the gaming license and an impairment loss of approximately, HK$39,610,000 was recognised in the consolidated statement of profit of loss. The recoverable amount has been determined based on a value in use calculation using cash flow projections based on financial budgets covering the useful life of the license approved by senior management. The discount rate applied to cash flow projections is 28.0% per annum. The growth rate used to extrapolate the cash flows of the group of cash-generating units beyond the five-year period and up to the useful life is 3% per annum which is based on its expectation in relation to market development. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted revenue, growth rate and gross margin.

c) The mobile game applications which were acquired on 30 March 2017, represents the applications specifically built for mobile devices users for playing gambling and on-line/off-line players. The useful life of the mobile game applications is 10 years. The applications were still under development and testing stage as at 31 March 2017 and the subsidiary is yet to commence the operation of the mobile game applications.

During the year, the Group assessed the recoverable amounts of these mobile game applications and an impairment loss of approximately, HK$2,300,000 was recognised in the consolidated statement of profit of loss. The recoverable amount has been determined based on a value in use calculation using cash flow projections based on financial budgets covering the useful life approved by senior management. The discount rate applied to cash flow projections is 17.2% per annum. The growth rate used to extrapolate the cash flows of the group of cash-generating units beyond the five-year period is 4% per annum which is based on its expectation in relation to market development. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include budgeted revenue, growth rate and gross margin.

12. TRADE AND OTHER RECEIVABLES

	2017	2016
	HK$'000	*HK$'000*
Other receivables	**3,272**	5,874
Due from an associate	**21,300**	84,765
Rental and other deposits	**2,356**	2,828
Loans and receivables	**26,928**	93,467
Prepayments	**189**	2,839
	27,117	96,306

13. TRADE AND OTHER PAYABLES

	2017	2016
	HK$'000	*HK$'000*
Trade payables (a)	**–**	881
Accruals and other payables (b)	**201,474**	216,470
Due to related companies (c)	**484**	156
	201,958	217,507

All the trade and other payables are expected to be settled within one year.

(a) The ageing analysis of trade payables as of the end of the reporting period is as follows:

	2017	2016
	HK$'000	*HK$'000*
Within one month	**–**	28
Over one year	**–**	853
	–	881

(b) Included in Group's accruals and other payables as at 31 March 2016 was an amount of approximately HK$36,751,000, which represented the payable of the second tranche of 14,800,000 consideration shares for the acquisition of Forenzia Enterprises Limited and its subsidiaries. According to the Company's announcement dated 14 October 2014, the second tranche of consideration shares would be allotted and issued to the Vendor within six months after commencement of the business operation.

On 27 May 2016, the Company entered into a supplemental agreement with the Vendor to issue additional 6,500,000 consideration shares to adjust the issue price of the 2nd Tranche Consideration Shares from HK$1.30 per share to approximately HK$0.90 per share, which shall be allotted and issued to the Vendor within six months after the commencement of the operation of the gaming business in Vanuatu. The corresponding listing approval was received from the Stock Exchange on 31 May 2016.

Included in Group's accruals and other payables as at 31 March 2017, represents the payable of promissory notes amounted to HK$190,000,000 (2016: HK$150,000,000).

(c) The amounts due to related companies are unsecured, non-interest-bearing and repayable on demand.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT ON THE COMPANY'S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2017

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Amax International Holdings Limited (the "Company") and its subsidiaries (together referred as the "Group"), which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

(1) Opening balances and corresponding figures

As detailed in the auditor's report dated 28 June 2016, our auditor's opinion on the consolidated financial statements for the year ended 31 March 2016 (the "2016 Financial Statements"), which form the basis for the corresponding figures presented in the current year's consolidated financial statements, was disclaimed because of the significance of the possible effects of limitations in the scope of the audit. We were unable to carry out audit procedures to satisfy ourselves whether the 2016 Financial Statements gave a true and fair view. Any adjustments found to be necessary in respect of the matters which were the subject of the limitation of scope may have a significant effect on the state of affairs of the Group as at 31 March 2016 and 1 April 2016 and hence of the Group's financial performance and cash flows for the year ended 31 March 2017. Furthermore, such adjustments may have significant effect on the comparability of the current period's figures and corresponding figures in the consolidated financial statements.

(2) Scope limitation – Interest in Greek Mythology and share of results of Greek Mythology

The management of Greek Mythology, an associate of the Group, did not cooperate with the management of the Group and denied the Group's access to their books and records. In addition, no audited financial statements of Greek Mythology since 31 March 2010 and no management accounts of Greek Mythology since 31 March 2012 were available. We were therefore unable to determine the Group's share of net assets and results of Greek Mythology and impairment assessment of the Group's interest in the associate and of the amounts due from the associate.

Due to the lack of sufficient appropriate audit evidence, we were unable to satisfy ourselves as to whether Greek Mythology was properly accounted for as an associate, and whether the gross carrying amount before impairment loss allowance of the Group's interest in Greek Mythology of approximately HK$1,191,209,000 as at 31 March 2017 and 2016 and impairment loss of HK$837,641,000 and the Group's share of results of Greek Mythology for the year ended 31 March 2017 were free from material misstatements. There are no other satisfactory audit procedures that we could adopt to determine whether any adjustments to the amounts were necessary.

(3) Scope limitation – Recoverability of amount due from Greek Mythology and valuation of intangible assets

(a) Included in the Group's trade and other receivables of approximately HK$27,117,000 as at 31 March 2017 was an amount of approximately HK$21,300,000 due from Greek Mythology. We were unable to obtain sufficient appropriate audit evidence to ascertain the appropriateness of the impairment assessment for making the provision for the impairment of this amount because (i) we were unable to carry out effective confirmation procedures in relation to the balance receivable for the purpose of our audit; and (ii) there is no information available for us to assess the financial position of Greek Mythology from which the management of the Group was denied access to their books and records as mentioned in the Basis for Disclaimer of Opinion paragraph (2). There are no other satisfactory audit procedures that we could adopt to determine whether the recoverability of amount due from Greek Mythology and its recognition were free from material misstatement.

(b) Included in the consolidated statement of financial position as at 31 March 2017 are intangible assets relating to the rights granted to Greek Mythology to operate and manage certain gaming tables and slot machines, with a carrying amount of HK$6,137,000. No impairment has been made for the year in this aspect as the directors of the Company determined that the value in use of the rights exceeded their carrying amount based on the cash flow projections and financial budgets prepared by the directors. However, we were unable to obtain sufficient appropriate audit evidence to ascertain whether the cash flow projections and financial budgets were properly prepared. We were therefore unable to satisfy ourselves as to whether the carrying amount of the intangible assets as at 31 March 2017 was fairly stated.

Any adjustments that might have been found to be necessary in respect of the matters mentioned above would have a consequential effect on the results for the years ended 31 March 2017 and 2016 and the Group's net assets as at 31 March 2017 and 2016 and related disclosures in the consolidated financial statements.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

As described in note 3 to the consolidated financial statements, which indicates that the Group incurred a net loss of HK$988,520,000 during the year ended 31 March 2017 and, as of that date, the Group's current liabilities exceeded its current assets by HK$177,796,000. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. This matter did not result in our issuance of disclaimer of our opinion.

MANAGEMENT DISCUSSION AND ANALYSIS

The Directors of the Company hereby report the audited consolidated annual results of the Group for the year ended 31 March 2017 (the "year under review"). The 2017 Annual Results have been reviewed by the audit committee of the Company.

FINANCIAL REVIEW

The Group engages principally in investment holdings and investments in niche gaming and entertainment-related businesses. For the year under review, the Group has continued its effort in restructuring its business resources and expanding its core business beyond Macau, aiming to generate long-term value for shareholders.

The Group recorded a revenue of approximately HK$11.4 million for the year under review, increasing 8.7% as compared to last year. The increase in revenue was mainly attributable to the revenue derived from the newly commenced gaming operation in Vanuatu which is more than offset the loss in revenue after the disposal of the Rainbow Worldwide Limited. Net loss for the year under review was approximately HK$988.5 million, as compared to approximately HK$49.0 million for the corresponding period last year. The increase in loss was mainly due to recognition of impairment losses as detailed below which are non-cash in nature and do not have any impact on the cash flow of the Group.

During the year under review, the financial information of Greek Mythology was still unavailable. After seeking professional advice from the Macau lawyers and the Company's auditors, the Company made respective impairment losses of the interest in Greek Mythology and the amount due from Greek Mythology. The total amount of impairment losses were approximately HK$901.2 million.

In addition, the Company also recognised impairment losses of the (i) gaming license for the gaming business in Vanuatu; and (ii) investment in mobile game apps with the impairment amounts of approximately HK$39.6 million and HK$2.3 million respectively during the year.

Capital Structure

As at 31 March 2017, the Company's total number of issued shares was 599,799,179 (2016: 327,932,786) at HK$0.20 each. The Group's consolidated net assets totalled approximately HK$332.9 million, representing a decrease of approximately HK$875.0 million as compared to that of approximately HK$1,207.9 million as at 31 March 2016. During the year under review, the Company completed a number of placing and top-up subscription activities, raising a total of approximately HK$13.23 million as detailed below:

Date of placing and subscription agreement	**Date of completion**	**Price per share** *(HK$)*	**No. of shares** *('000)*	**Net proceeds** *(HK$)*
10 November 2016	21 November 2016	0.53	13,600	7.13 million
10 February 2017	22 February 2017	0.50	13,000	6.10 million

Up to the date of this report, the proceeds from these placings were used for payment of the Company's general and administrative expenses and investment with major items detailed below:

Date of placing and subscription agreement	10 November 2016 *(HK$)*	10 February 2017 *(HK$)*
Net proceeds	7.13 million	6.10 million
Use of the net proceeds		
Staff salaries and Directors' fees	1.73 million	1.34 million
Rental and operating expenses	1.72 million	1.15 million
Legal and professional fees	0.22 million	0.25 million
Investment in Vanuatu gaming business	3.46 million	3.36 million
Total	7.13 million	6.10 million

On 24 March 2016, the Company announced its proposal to raise funds by way of an open offer of one offer share for every two shares held by the qualifying shareholders at a subscription price of HK$0.20 per offer share (the "Open Offer"). It was considered that the Group's long term growth would be financed by way of equity fundraising which would not only strengthen the Group's capital base but also enhance its financial position without increasing finance costs.

The Open Offer was completed on 16 May 2016 and a total of 163,966,393 new shares with an aggregate nominal value of approximately HK$32.79 million had been issued on the same date, on the basis of 327,932,786 shares in issue on 18 April 2016, being the record date of the Open Offer. The net proceeds, after deducting relevant expenses payable in relation to the Open Offer, amounted to approximately HK$30.07 million which had been invested in overseas projects and as general working capital as detailed below:

	(HK$)
Net proceeds	30.07 million
Use of the net proceeds	
Staff salaries and Directors' fees	7.14 million
Rental and operating expenses	4.70 million
Legal and professional fees	5.13 million
Repayment of loans	4.26 million
Investment in Vanuatu gaming business	8.84 million
Total	30.07 million

Liquidity and Financial Resources

The Group adopts a prudent treasury policy. It finances its operations and investments with internal resources, cash revenues generated from operating activities and proceeds from equity fundraising activities.

As at 31 March 2017, the Group had total assets and net assets of approximately HK$539.4 million (2016: approximately HK$1,470.9 million) and HK$332.9 million (2016: approximately HK$1,207.9 million), comprising non-current assets of approximately HK$511.1 million (2016: approximately HK$1,372.1 million) and current assets of approximately HK$28.3 million (2016: approximately HK$98.8 million) which were financed by shareholders' funds of approximately HK$332.9 million (2016: approximately HK$1,207.9 million). The Group also had non-controlling interests of approximately HK$51.2 million (2016: approximately HK$56.9 million), current liabilities of approximately HK$206.1 million (2016: approximately HK$262.1 million) and non-current liabilities of approximately HK$0.4 million (2016: approximately HK$0.8 million).

As at 31 March 2017, the Group's gearing ratio, calculated as a ratio of debt to shareholders' equity, was approximately 62% (2016: 22%). As at 31 March 2017, the Group had cash and cash equivalents of approximately HK$1.2 million (2016: approximately HK$2.5 million).

Foreign Exchange and Currency Risks

It is the Group's policy for its operating entities to operate in their corresponding local currencies to minimise currency risks. The principal businesses of the Group are conducted and recorded in Hong Kong dollars, Renminbi and Macau Patacas. As its exposure to foreign exchange fluctuation is minimal, the Group does not see the need for using any hedging tools.

BUSINESS REVIEW

The year under review was full of challenges and opportunities for the Group. Notwithstanding a challenging market environment, the Group implemented a number of measures to consolidate and restructure its business intending to minimise the operating costs and redirect its effort in potential profitable business ventures to provide returns and broaden its revenue base. Upon disposal of the loss-incurring business, namely Le Rainbow Worldwide Limited, which provided lottery-related services to Guangxi Welfare Lottery Issue Centre, and with the gaming business in Vanuatu commencing operation, the Group's business scope presently includes the VIP gaming tables-related operation and slot machines-related operation, plus the gaming business in Vanuatu.

Business Operation of Forenzia Enterprises Limited

To explore geographic diversification in the Group's core business and capitalise on the significant growth expected from the global gaming market, the Group has acquired a 60% equity interest in Forenzia Enterprises Limited in 2014. Forenzia Enterprises Limited, through its wholly-owned subsidiaries, is principally engaged in conducting gaming business in Vanuatu with an interactive gaming license valid for a period of 15 years from February 2014.

During the year under review, the Group's establishment of business operations in Vanuatu has continued to achieve good progress. The Group has received a letter of approval in principle from the Regulator to commence the gaming business in Vanuatu. The business has recorded a revenue of HK$6.6 million since it commenced operation in July 2016. However, in view of the changing market conditions and to retain control of the situation, the management has proactively adjusted its positioning and adopted a more conservative strategy by reviewing and cutting the operational expenses starting from December 2016. The Group is confident in the long-term success of the gaming business in Vanuatu, which would contribute positively to its performance.

At the same time, the Group has also been exploring opportunities to expand its revenue sources by exploring cooperation with other potential gaming players in the Asia Pacific region.

Mobile Game Apps

Given the rapid growth of the global mobile gaming market, the Group sees huge potential in the mobile games business. With an aim to achieve the best use of its resources and improve its overall performance and diversify investment, the Group has completed the acquisition of 30 mobile game apps ("Mobile Game Apps") on 30 March 2017 at a consideration of HK$27 million by issuing 60,000,000 consideration shares.

Upon launching of the Mobile Game Apps, the Company will be able to leverage its expertise in the gaming and entertainment-related businesses to diversify its business to capture the enormous potential of the mobile communications age. After finalising the overall layout of the Mobile Game Apps, the Company will launch them via digital distribution platforms. The Company will either recruit its own program development team or engage third-party programming consultants to manage and make responsive changes and updates to the Mobile Game Apps, if necessary, to maintain the customer retention rate and revenue per download.

In view of the increasing popularity of the use of mobile devices and mobile entertainment, combined with the Company's expertise in the gaming and entertainment-related businesses, the Group is confident that the launching of the Mobile Game Apps could bring in additional income streams to the Group.

Greek Mythology

The Group holds 24.8% equity interests in Greek Mythology (Macau) Entertainment Group Corporation Limited ("Greek Mythology"), which operates and manages Greek Mythology casino at Beijing Imperial Palace Hotel (formerly known as New Century Hotel) (the "Hotel") in Macau. With Greek Mythology refusing to provide the Company with valid financial information since 2012, the Group has initiated a series of legal actions to obtain the relevant annual accounts. Furthermore, the Group's legal representative has issued demand letters to Greek Mythology requesting the repayment of the outstanding amount due from Greek Mythology. However, Greek Mythology failed to respond to such requests.

Subsequent to the publication of the annual report for the year ended 31 March 2016 on 8 July 2016, the Company has issued an announcement on 10 August 2016 providing supplemental information on the Greek Mythology issues. Since then, the Company has been discussing with various professional parties on the next possible appropriate actions to be taken and to address the related disclaimer of opinion issued by the Company's auditors.

Moreover, a special working committee has been formed by the Company and the Hotel management following the suspension of operation of the Hotel by the Macau Government Tourism Office ("MGTO") and other concerned departments on 22 July 2016. The Company has been working closely with the Hotel management to address the related issues and updating the public on the latest development of the Hotel.

The Company was informed by the Hotel management that considering the imminent expiration of the temporary closure period on 22 January 2017 in relation to the MGTO's decision to temporarily close down the Hotel and the infeasibility of completing repair work before then even if a work permit is granted, the Hotel management has decided to preserve the Hotel's interest to return the hotel license to MGTO on 12 January 2017. The Hotel management has planned to re-apply for the hotel license once all compliance requirements have been met.

In view of the above, and having considered the current position of Greek Mythology and according to further advice from the Macau lawyers, the Company considered that applying to the Macau Court for the appointment of Mr. Ng Man Sun as the new Administrator of Greek Mythology would be an appropriate action to be taken in the circumstances. The Macau lawyer has eventually filed an application with the Macau Court on 19 June 2017 (the "Application"). If the court order is granted, the Company would have access to the financial information of Greek Mythology and participate in the management of Greek Mythology.

On the other hand, the Company has consulted its auditors on the relevant disclaimer of opinion. The auditors are of the view that if sufficient accounting documents were revealed, the audit issues of (i) the Company's interest in Greek Mythology and share of results of Greek Mythology; and (ii) recoverability of amount due from Greek Mythology and valuation of intangible assets could possibly be resolved.

In addition, in the light of the auditors' view above, the Company has recognised impairment losses for Greek Mythology during the year under review. The total amount of impairment losses related to Greek Mythology were approximately HK$901.2 million, comprising HK$837.6 million impairment loss of interest in Greek Mythology and HK$63.6 million impairment loss of the amount due from Greek Mythology.

The Board has been trying all possible steps to remove the prolonged disclaimer of opinion raised by the auditors. However, the Board is also aware that such disclaimer of opinion was a result of some historical events which require significant resources and effort to resolve. Given that the granting of the court order on the Application is subject to the procedural time of the Macau Court, the Company is unable to estimate the time frame as to when the Company could get direct access to the financial information of Greek Mythology at this moment. The Macau lawyer estimated from past experience that it would normally take nine to twelve months to obtain the court order from the Macau Court. The Company is continuing to consider taking all steps appropriate to resolve the Greek Mythology issues. It also closely monitors developments pertaining to this matter and will inform shareholders of any significant progress.

Environmental Policy

The Group has devoted its greatest efforts in promoting conservation and environmental sustainability. Our environmental strategy is to achieve a balance between the quality and efficiency of our services and the minimization of greenhouse gas emissions and environmental degradation. Accordingly, Energy efficient lightings have been installed in the office to reduce energy consumption and the Group has also continuously monitored its waste and paper consumption such as use of recycled paper and double-sided printing.

Compliance with Laws and Regulations

Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations. The work of our Board and the Board committees, in particular the Compliance Committee, contributes to our commitment to compliance efforts. During the year under review, the Company was not aware of any non-compliance with any relevant laws and regulations that had a significant impact on it.

Relationship with Employees

The Group actively manages its employee relations on which its success depends. The Group believes that developing superior human resources with knowledge, skill and experience is essential to the achievement of its objectives. Specifically, the Group provides in-house training, subsidy for attending seminars and encourages sharing of ideas through employees' meeting. These training and development enable the Group to enhance improvement in the knowledge and skills needed from the employees as they become one of the key strengths of the Group.

Relationship with Customers and Suppliers

The Directors believe that maintaining good relationships with customers has been one of the critical reasons for the Group's success. Our business model is to maintain and build on our strong relationships within our client base. To deliver the best products and experiences to our valued customers, we engaged with them by collecting their views and assessing their expectations through a wide range of communication channels. The Group is constantly looking ways to improve customer relations through enhanced services.

The Group has maintained good relationship with the suppliers to ensure their continued support to the Group in the foreseeable future.

EVENTS AFTER THE REPORTING PERIOD

(a) Placing and top-up subscription of shares

On 5 June 2017, the Company completed a placing and top-up subscription activity. Mr. Ng Man Sun, the Chairman and Chief Executive Officer of the Company and the beneficial owner of 47,412,366 ordinary shares of HK$0.2 each of the Company (the "Subscriber"), the Company and the placing agent entered into a placing and subscription agreement pursuant to which (i) the placing agent have agreed to act as agent for the Subscriber to place, on a best commercial efforts basis, and the Subscriber has agreed to sell, 16,000,000 ordinary shares of HK$0.2 each of the Company to six placees who and whose ultimate beneficial owners will be third parties independent of and not acting in concert (as defined under the Takeovers Code) with the Subscriber, the Company and their respective associates and connected persons, at an issue price of HK$0.43 per share; (ii) the Subscriber has conditionally agreed to subscribe for the same issue price per share. The net proceeds from the subscription amounted to approximately HK$6.8 million. The new shares represent approximately 2.67% of the issued share capital of the Company as the date of the initial announcement on 24 May 2017 and approximately 2.60% of the issued share capital as enlarged by the allotment and issue of the subscription shares.

Details of the placing and top-up subscription are set out in the Company's announcements dated 24 May 2017 and 5 June 2017.

(b) Filing an application for a Court Order with the Macau Court

On 19 June 2017, the Macau lawyer had submitted, on behalf of the Company, an application to the Court of Macau, SAR for a court order to appoint Mr. Ng Man Sun, the Chairman and Chief Executive Officer of the Company, as the administrator of Greek Mythology.

Details of the filing of the application are set out in the Company's announcement dated 26 June 2017.

LITIGATION

On 22 March 2006, the Company issued 10-year zero-interest promissory notes with total face value of approximately HK$1,454,722,000 as part of the consideration to the further 30% equity interest in Greek Mythology, out of which a promissory note of HK150,000,000 (the "PN 1") was issued to Ms. Lee Ping ("Ms. Lee"), and other promissory notes for the aggregate sum of HK$150,000,000 were issued to Mr. Huang Jian Nan ("Mr. Huang") (the "2006 Promissory Notes"), and that a promissory note for the amount of HK$40,000,000 and which was derived from or arose from the purported transfer of HK$40,000,000 from either one or more of the 2006 Promissory Notes was issued to Mr. Wu Weide ("Mr. Wu") (the "PN 2"). Ms. Lee, Mr. Huang and Mr. Wu were independent third parties independent of and not connected with the Company and its connected person(s). It came to attention of the Company that the 2006 Promissory Notes were issued by mistake and that the PN 1 issued to Ms. Lee and the PN 2 issued to Mr. Wu were under a mistaken belief that the legal title of the PN 1 and PN 2 would be properly transferred to Ms. Lee and Mr. Wu respectively.

On 18 March 2016, the Company issued a writ of summons in the Court of First Instance of the High Court of Hong Kong claiming against Ms. Lee for the followings:

1. a declaration that the PN1 issued by the Company to Ms. Lee was issued by mistake and without consideration;

2. an order that Ms. Lee to deliver the PN1 to the Company;

3. an injunction to restrain Ms. Lee whether by herself, her servants or agents or otherwise howsoever from negotiating or indorsing the PN1;

4. further and other relief; and

5. costs.

On 15 September 2016, the Company issued a writ of summons in the Court of First Instance of the High Court of Hong Kong claiming against Mr. Wu for the followings:

1. a declaration that the 2006 Promissory Notes issued by the Company to Mr. Huang were issued by mistake and therefore the PN 2 issued by the Company to Mr. Wu is null and void;

2. an order that Mr. Wu to deliver the PN 2 to the Company;

3. an injunction to restrain Mr. Wu whether by himself, his servants or agents or otherwise howsoever from negotiating or indorsing the PN 2;

4. further and other relief; and

5. costs.

The Directors would like to emphasize that the results of the litigation will not affect the Group's liabilities under the PN1 and PN2.

Details of the litigation are set out in the Company's announcements dated 21 March 2016 and 15 September 2016.

PROSPECTS AND OUTLOOK

Leveraging its extensive experience in the gaming and entertainment industry, the Group will continue to explore opportunities beyond Macau. Looking ahead, the Group will focus on the gaming business in Vanuatu and the Mobile Game Apps.

By repositioning its business, the Group targets to successfully execute its sales strategy though a series of marketing events. Besides, the Group is actively exploring potential opportunities with operators of gaming facilities in the Asia Pacific region. Furthermore, the Group is sourcing operators of gaming businesses. Given the rapid growth of the global mobile games market, the Group is confident that the Mobile Game Apps could generate additional revenue.

The Group will also continue to pursue new business opportunities with the aim of diversifying its revenue streams, and thereby create long-term value for its investors and shareholders.

EMPLOYMENT AND REMUNERATION POLICY

As at 31 March 2017, the Group employed permanent employees in Hong Kong and Macau. The Group is aware of the importance of human resources and is dedicated to retaining competent and talented employees by offering them competitive remuneration packages. Their salaries and bonuses were determined by reference to their duties, work experience, performance and prevailing market practices. The Group also participates in the Mandatory Provident Fund scheme in Hong Kong, and provides employees with medical insurance coverage. A share option scheme is in place to reward individual employees for their outstanding performance and contribution to the success of the Group.

FINAL DIVIDEND

The Directors of the Company do not recommend the payment of a final dividend for the year ended 31 March 2017. There was no interim dividend payment during the financial year.

INVESTOR RELATIONS

The Group believes that maintaining active communication and operational transparency is vital to building good investor relations. During the year, the Group has retained a professional public relation company to maintain continuous communication with various investors and held meetings regularly with analysts and institutional investors from around the world, if appropriate.

CORPORATE GOVERNANCE PRACTICES

The Company has applied the principles of, and complied with all applicable code provisions as set out in the Corporate Governance Code (the "CG Code") in Appendix 14 to the Listing Rules throughout the year ended 31 March 2017 with the exception of certain deviations as further explained below.

Code provision A.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual.

Mr. Ng Man Sun currently assumes the roles of both the chairman (the "Chairman") of the Board and chief executive officer (the "CEO") of the Company. The Board believes that the roles of Chairman and CEO performed by Mr. Ng provide the Group with strong and consistent leadership and are beneficial to the Group especially in planning and implementation of the Company's business strategies. The Board will regularly review effectiveness of such arrangement.

Code provision A.4.1 of the CG Code provides that non-executive directors should be appointed for a specific term, and subject to re-election.

None of the non-executive directors (the "Non-executive Directors") of the Company, being all existing independent non-executive directors (the "Independent Non-executive Directors", or "INEDs") of the Company, is appointed for a specific term. However, all INEDs are subject to retirement by rotation but eligible for re-election at least once every three years at annual general meeting (the "AGM") in accordance with the Bye-laws of the Company. The Company has also received the confirmation of independence from each INED and has grounds to believe that they are independent of the Company.

Code provision E.1.2 of the CG Code provides that the chairman of the board should attend the annual general meeting.

Due to other business commitments, Mr. Ng Man Sun, being the chairman of the Board, was unable to attend the AGM of the Company held on 9 August 2016. He had arranged Ms. Ng Wai Yee, another executive director (the "Executive Director") of the Company and who is very familiar with the Group's business and operations, to attend and chair the AGM.

Code provision A.6.7 of the CG Code provides that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders.

Due to other business commitments, Ms. Sie Nien Che, Celia, being an INED of the Company, did not attend the AGM of the Company held on 9 August 2016.

The Company periodically reviews its corporate governance practices and policy to ensure that they continue to meet the requirements of the CG Code, and acknowledges the important role of the Board in providing effective leadership and direction to the Company's business, and ensuring transparency and accountability of the Company's operations.

As such, the Company considers that sufficient measures have been in place to ensure that the Company's corporate governance practices and policy are no less exacting than the code provisions.

Audit Committee

The Audit Committee comprises three INEDs, namely Mr. Li Chi Fai, Ms. Yeung Pui Han, Regina and Ms. Sie Nien Che, Celia, and is chaired by Mr. Li Chi Fai who has substantial accounting and related financial management expertise.

The main duties of the Audit Committee are to review and monitor and provide supervision over the Company's financial reporting process, risk management and internal control system, perform corporate governance duties delegated by the Board and maintain an appropriate relationship with the Company's auditor. The roles and functions of the Audit Committee are clearly set out in terms of reference which are no less exacting than the CG Code and are available on the websites of the Company and the Stock Exchange.

The annual results of the Group for the year under review had been reviewed by the audit committee.

Compliance Committee

The Compliance Committee comprises one Executive Director, one INED, the CFO and the Company Secretary, and is chaired by the Executive Director.

The main duties of the Compliance Committee are to formulate, review, approve, and monitor the Company's policies and practices on compliance with legal and regulatory requirements, supervise the implementation and monitor the efficiency and effectiveness of the compliance management system. The roles and functions of the Compliance Committee are clearly set out in terms of reference which are no less exacting than the CG Code and are available on the websites of the Company and the Stock Exchange.

Remuneration Committee

The Remuneration Committee comprises one Executive Director and two INEDs and is chaired by an INED. The Company has complied with the chairman requirement and majority requirement of the Remuneration Committee members under Rule 3.25 of the Listing Rules.

The main duties of the Remuneration Committee are to review the Company's policy on remuneration structure, approve the management's remuneration by reference to corporate goals and objectives of the Company, recommend to the Board on the remuneration packages of the INEDs, review and determine the remuneration packages for the Executive Directors with delegated responsibility according to the model set out in code provision B.1.2(c)(i) of the CG Code as adopted by the terms of reference of the Remuneration Committee. No Director will determine his/her own remuneration. The roles and functions of the Remuneration Committee are clearly set out in the terms of reference which are no less exacting than the CG Code and are available on the websites of the Company and the Stock Exchange.

Nomination Committee

The Nomination Committee comprises one Executive Director and two INEDs and is chaired by the Executive Director. The Company has complied with the majority requirement of Nomination Committee members under Code Provision A.5.1 of the CG Code.

The main duties of the Nomination Committee are to review the structure, size and composition of the Board, make recommendations on the selection of individual to act as a Director and on appointment or re-election of Directors to complement the corporate strategy of the Company, and assess the independence of the INEDs. The roles and functions of the Nomination Committee are clearly set out in terms of reference which are no less exacting than the CG Code and are available on the websites of the Company and the Stock Exchange.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct for securities transactions by the Directors and has adopted written guidelines no less exacting than the Model Code for the relevant employees in respect of their dealings in the Company's securities.

Having made specific enquiries of all Directors, all Directors confirm that they have complied with the required standard as stated in the Model Code regarding securities transactions throughout the year ended 31 March 2017.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the financial year ended 31 March 2017.

SCOPE OF WORK OF ELITE PARTNERS CPA LIMITED

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 March 2017 as set out in the preliminary announcement have been agreed by the Group's auditor, Elite Partners CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Elite Partners CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagement or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Elite Partners CPA Limited on this preliminary announcement.

By order of the Board
Amax International Holdings Limited
Ng Man Sun
Chairman and Chief Executive Officer

Hong Kong, 28 June 2017

As at the date hereof, Mr. Ng Man Sun (Chairman and Chief Executive Officer) and Ms. Ng Wai Yee are the executive directors of the Company; and Ms. Yeung Pui Han, Regina, Mr. Li Chi Fai and Ms. Sie Nien Che, Celia are the independent non-executive directors of the Company.