

# L & A INTERNATIONAL HOLDINGS LIMITED

樂亞國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號 : 8195



*casimira*

第一季度業績報告

2017

First Quarterly Report

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

GEM has been positioned as a market designed to accommodate 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. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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

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This report, for which the directors (the “Directors”) of L & A International Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable 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.

### **香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)的特色**

創業板乃為較其他於聯交所上市的公司帶有較高投資風險的公司提供一個上市市場。有意投資者應了解投資於該等公司的潛在風險，並應經過審慎周詳考慮後方作出投資決定。創業板的較高風險及其他特色意味著創業板較適合專業及其他經驗豐富的投資者。

由於創業板上市公司的新興性質所然，於創業板買賣的證券可能會較於聯交所主板買賣的證券承受較大的市場波動風險，同時無法保證於創業板買賣的證券會有高流通量的市場。

香港交易及結算有限公司及香港聯合交易所有限公司對本報告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容所產生或因依賴該等內容而引致的任何損失承擔任何責任。

本報告乃遵照聯交所創業板證券上市規則(「創業板上市規則」)之規定提供有關樂亞國際控股有限公司(「本公司」)的資料。本公司各董事(「董事」)共同及個別對本報告承擔全部責任。董事於作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬準確及完整，且並無誤導或欺詐成分，亦無遺漏任何其他事項，致使本報告內任何聲明或本報告有所誤導。

# Corporate Information

## 公司資料

### REGISTERED OFFICE IN THE CAYMAN ISLANDS

Maples Corporate Services Limited  
P.O. Box 309, Ugland House  
Grand Cayman, KY-1104  
Cayman Islands

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit No. D, 5th Floor  
Wing Hong Centre  
No. 18 Wing Hong Street, Kowloon  
Hong Kong

### EXECUTIVE DIRECTOR

Mr. Ng Ka Ho (*Chairman*)

### NON-EXECUTIVE DIRECTOR

Mr. Wong Chiu Po (resigned on 26 April 2017)

### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Li Kin Ping (appointed on 20 April 2017)

Mr. Ng Kai Shing

Mr. Ma Chi Ming

Mr. Kwong Lun Kei Victor (resigned on 20 April 2017)

### COMPANY SECRETARY

Mr. Leung Tze Wai *CPA*

### COMPLIANCE OFFICER

Mr. Ng Ka Ho

### 開曼群島註冊辦事處

Maples Corporate Services Limited  
P.O. Box 309, Ugland House  
Grand Cayman, KY-1104  
Cayman Islands

### 香港總部及主要經營地點

香港  
九龍永康街18號  
永康中心  
5樓D室

### 執行董事

吳家豪先生 (*主席*)

### 非執行董事

黃昭堡先生 (於二零一七年四月  
二十六日辭任)

### 獨立非執行董事

李健平先生 (於二零一七年四月  
二十日獲委任)

吳啟誠先生

馬志明先生

鄺麟基先生 (於二零一七年四月  
二十日辭任)

### 公司秘書

梁子煒先生 *CPA*

### 合規主任

吳家豪先生

# Corporate Information

## 公司資料

### AUDIT COMMITTEE

Mr. Ng Kai Shing (*Chairman*)  
Mr. Li Kin Ping (appointed on 20 April 2017)

Mr. Ma Chi Ming  
Mr. Kwong Lun Kei Victor (resigned on 20 April 2017)

### REMUNERATION COMMITTEE

Mr. Li Kin Ping (*Chairman*)  
(appointed on 20 April 2017)  
Mr. Ng Ka Ho  
Mr. Ng Kai Shing  
Mr. Kwong Lun Kei Victor (resigned on 20 April 2017)

### NOMINATION COMMITTEE

Mr. Li Kin Ping (*Chairman*)  
(appointed on 20 April 2017)  
Mr. Ng Ka Ho  
Mr. Ng Kai Shing  
Mr. Kwong Lun Kei Victor (resigned on 20 April 2017)

### AUTHORISED REPRESENTATIVES

Mr. Ng Ka Ho  
Mr. Leung Tze Wai

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Maples Fund Services (Cayman) Limited  
PO Box 1093, Boundary Hall  
Cricket Square  
Grand Cayman, KY1-1104  
Cayman Islands

### 審核委員會

吳啟誠先生(主席)  
李健平先生(於二零一七年四月  
二十日獲委任)  
馬志明先生  
鄺麟基先生(於二零一七年四月  
二十日辭任)

### 薪酬委員會

李健平先生(主席)  
(於二零一七年四月二十日獲委任)  
吳家豪先生  
吳啟誠先生  
鄺麟基先生(於二零一七年四月  
二十日辭任)

### 提名委員會

李健平先生(主席)  
(於二零一七年四月二十日獲委任)  
吳家豪先生  
吳啟誠先生  
鄺麟基先生(於二零一七年四月  
二十日辭任)

### 授權代表

吳家豪先生  
梁子煒先生

### 開曼群島主要股份過戶登記處

Maples Fund Services (Cayman) Limited  
PO Box 1093, Boundary Hall  
Cricket Square  
Grand Cayman, KY1-1104  
Cayman Islands

# Corporate Information

## 公司資料

### BRANCH SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG

Boardroom Share Registrars (HK) Limited  
31/F, 148 Electric Road  
North Point  
Hong Kong

### PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation

### AUDITORS

Elite Partners CPA Limited  
Certified Public Accountants

### COMPANY'S WEBSITE

[www.lna.com.hk](http://www.lna.com.hk)

### STOCK CODE

8195

### 香港股份過戶登記分處

實德隆證券登記有限公司  
香港  
北角  
電氣道 148 號 31 樓

### 主要往來銀行

香港上海滙豐銀行有限公司

### 核數師

開元信德會計師事務所有限公司  
執業會計師

### 公司網站

[www.lna.com.hk](http://www.lna.com.hk)

### 股份代號

8195

# 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

The board of Directors (the "Board") of the Company is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the three months ended 30 June 2017 together with the unaudited comparative figures for the corresponding period in 2016 as follows:

本公司董事會(「董事會」)欣然提呈本公司及其附屬公司(統稱「本集團」)截至二零一七年六月三十日止三個月的未經審核簡明綜合業績，連同二零一六年同期的未經審核比較數字如下：

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

		Three months ended 30 June	
		截至六月三十日止三個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
	NOTES 附註		
Revenue	3	4,444	21,576
Cost of sales	8	(3,012)	(19,347)
Gross profit		1,432	2,229
Other income	4	-	25
Other gains and losses	5	461	-
Selling and distribution expenses		(1,116)	(1,766)
Administrative expenses		(6,492)	(12,311)
Share of result of an associate		(4,302)	(2,189)
Finance costs	6	(221)	(359)
Loss before taxation		(10,238)	(14,371)
Income tax expense	7	(241)	(196)
Loss for the period	8	(10,479)	(14,567)

# 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 three months ended 30 June 2017 截至二零一七年六月三十日止三個月

		Three months ended 30 June	
		截至六月三十日止三個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
NOTES			
附註			
Other comprehensive income: <i>Item that may be reclassified subsequently to profit or loss:</i>	其他全面收益： 其後可能重新分類 至損益的項目：		
Exchange differences arising on the translation of foreign operations	換算海外業務產生的匯兌差額	459	(866)
Total comprehensive expense for the period	期內全面開支總額	(10,020)	(15,433)
Loss attributable to:	應佔虧損：		
Owners of the Company	本公司擁有人	(10,141)	(14,496)
Non-controlling Interests	非控股權益	(338)	(71)
		(10,479)	(14,567)
Total comprehensive expense attributable to:	應佔全面開支總額：		
Owners of the Company	本公司擁有人	(9,671)	(15,362)
Non-controlling Interests	非控股權益	(349)	(71)
		(10,020)	(15,433)
Loss per share	每股虧損		
Basic (HK cents)	基本(港仙)	10	
		(0.04)	(0.07)

# Condensed Consolidated Statement of Changes in Equity

## 簡明綜合權益變動表

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital	Share premium	Share option reserve	Translation reserve	Special reserve	Other reserve	Retained profits	Total	Non-Controlling Interests	Total Equity
		股本	股份溢價	購股權儲備	匯兌儲備	特別儲備	其他儲備	保留溢利	總計	非控股權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(Note (i))			(Note (ii))	(Note (iii))				
			(附註(i))			(附註(ii))	(附註(iii))				
At 1 April 2016 (audited)	於二零一六年四月一日 (經審核)	40,000	23,823	-	3,374	28,431	4,327	(6,193)	93,762	-	93,762
Exchange differences arising on the translation of foreign operations	換算海外業務所產生匯兌差額	-	-	-	(866)	-	-	-	(866)	-	(866)
Loss for the period	期內虧損	-	-	-	-	-	-	(14,496)	(14,496)	(71)	(14,567)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	(866)	-	-	(14,496)	(15,362)	(71)	(15,433)
Acquisition of a subsidiary	收購一家附屬公司	-	-	-	13	-	-	-	13	(73)	(60)
Issue of shares for acquisition of an associate	就收購一家聯營公司發行股份	2,260	594,440	-	-	-	-	-	596,700	-	596,700
At 30 June 2016 (unaudited)	於二零一六年六月三十日 (未經審核)	42,260	618,263	-	2,521	28,431	4,327	(20,689)	675,113	(144)	674,969
At 1 April 2017 (audited)	於二零一七年四月一日 (經審核)	51,200	618,133	4,224	1,535	28,431	4,327	(300,491)	407,359	1,350	408,709
Exchange differences arising on the translation of foreign operations	換算海外業務所產生匯兌差額	-	-	-	470	-	-	-	470	(11)	459
Loss for the period	期內虧損	-	-	-	-	-	-	(10,141)	(10,141)	(338)	(10,479)
Total comprehensive expense for the period	期內全面開支總額	-	-	-	470	-	-	(10,141)	(9,671)	(349)	(10,020)
At 30 June 2017 (unaudited)	於二零一七年六月三十日 (未經審核)	51,200	618,133	4,224	2,005	28,431	4,327	(310,632)	397,688	1,001	398,689

Notes:

附註：

- (i) Special reserve represented the difference between the nominal amount of the share capital and share premium issued by L & A Interholdings Inc. and the nominal amount of the share capital issued by the Company pursuant to the group reorganisation.
- (ii) Other reserve arose from the waiver of loan from a controlling shareholder of the Company in previous years.
- (i) 特別儲備指 L & A Interholdings Inc. 所發行股本的面值及股份溢價與本公司根據集團重組所發行股本面值之間的差額。
- (ii) 其他儲備產生自本公司一名控股股東於過往年度免除貸款還款。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The addresses of the registered office and the principal place of business of the Company are P.O. Box 309, Ugland House, Grand Cayman, KY-1104 Cayman Islands and Unit No. D, 5th Floor, Wing Hong Centre, No. 18 Wing Hong Street, Kowloon, Hong Kong, respectively.

The Company is an investment holding company. The Group is principally engaged in the manufacturing, sales and retailing of garment products and provision of loan.

### 1. 一般資料

本公司在開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）創業板上市。

本公司的註冊辦事處及主要營業地點分別為P.O. Box 309，Ugland House, Grand Cayman, KY-1104 Cayman Islands及香港九龍永康街18號永康中心5樓D室。

本公司為投資控股公司。本集團主要從事製造、銷售及零售服裝產品，以及提供貸款。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the three months ended 30 June 2017 have been prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants and the applicable disclosure requirements of the GEM Listing Rules.

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The basis of preparation and accounting policies applied in the preparation of the unaudited condensed consolidated financial statements are consistent with those adopted in the annual report for the year ended 31 March 2017, except for the new and revised HKFRSs. The condensed consolidated financial statements are unaudited, but have been reviewed by the Audit Committee of the Company.

### 2. 編製基準

本集團截至二零一七年六月三十日止三個月的未經審核簡明綜合財務報表已根據香港會計師公會頒佈的香港財務報告準則（「香港財務報告準則」）及創業板上市規則的適用披露規定編製。

除若干財務工具按於各報告期末的公平值計量外，未經審核簡明綜合財務報表已按歷史成本基準編製。歷史成本通常基於就換取貨品及服務所支付代價的公平值計算。

編製未經審核簡明綜合財務報表所應用的編製基準及會計政策與截至二零一七年三月三十一日止年度的年報所應用者一致，惟新訂及經修訂香港財務報告準則除外。簡明綜合財務報表乃未經審核，但已由本公司審核委員會審閱。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 3. REVENUE

Revenue represents the invoiced values of goods sold during the report periods.

### 3. 收益

收益指報告期內所售出貨品的發票價值。

		Three months ended 30 June	
		截至六月三十日止三個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
OEM Business	原設備製造業務	–	18,763
Retail Business	零售業務	1,896	2,813
Money Lending Business	放債業務	2,548	–
		<b>4,444</b>	<b>21,576</b>

### 4. OTHER INCOME

### 4. 其他收入

		Three months ended 30 June	
		截至六月三十日止三個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Claim received from customers for cancelled orders	就客戶取消訂單收取的索償	–	18
Bank interest income	銀行利息收入	–	1
Others	其他	–	6
		<b>–</b>	<b>25</b>

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 5. OTHER GAINS AND LOSSES

### 5. 其他收益及虧損

		Three months ended 30 June	
		截至六月三十日止三個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Gain on disposal of property plant and equipment	出售物業、廠房及設備的收益	461	–
		461	–

### 6. FINANCE COSTS

### 6. 財務成本

		Three months ended 30 June	
		截至六月三十日止三個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Interest on:	下列各項的利息：		
Bank borrowings wholly repayable within five years	須於五年內悉數償還的銀行借貸	–	359
Other borrowings	其他借貸	221	–
		221	359

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 7. INCOME TAX EXPENSE

### 7. 所得稅開支

		Three months ended 30 June	
		截至六月三十日止三個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Hong Kong Profits Tax (Note (i))	香港利得稅 (附註 (i))		
— current period	— 本期間	403	195
PRC Enterprise Income Tax ("EIT") (Note (ii))	中國企業所得稅 (「企業所得稅」)		
— current period	(附註 (ii)) — 本期間	—	—
		—	195
Deferred tax	遞延稅項	(162)	1
		241	196

Notes:

- (i) **Hong Kong**  
Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit.
- (ii) **PRC**  
PRC EIT is calculated based on the statutory rate of 25% of the assessable profit for those subsidiaries established in the PRC, as determined in accordance with the relevant income tax rules and regulations in the PRC.

附註：

- (i) **香港**  
香港利得稅乃按估計應課稅溢利的16.5%計算。
- (ii) **中國**  
中國企業所得稅乃根據該等於中國成立的附屬公司應課稅溢利按25%的法定稅率計算，有關稅率乃根據中國相關所得稅規例及條例釐定。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 8. LOSS FOR THE PERIOD/COST OF SALES 8. 期內虧損／銷售成本

Loss for the period

期內虧損

		Three months ended 30 June 截至六月三十日止三個月	
		2017 二零一七年 HK\$'000 千港元 (unaudited) (未經審核)	2016 二零一六年 HK\$'000 千港元 (unaudited) (未經審核)
Loss for the period has been arrived at after charging (crediting):	期內虧損於扣除(計入)以下各項後計算得出：		
Directors' remuneration:	董事薪酬：		
— Fees	— 袍金	341	616
— Other emoluments, salaries and other benefits	— 其他酬金、工資及其他福利	—	—
— Retirement benefit scheme contributions	— 退休福利計劃供款	5	9
		<b>346</b>	625
Other staff salaries and allowances	其他員工工資及津貼	830	5,920
Retirement benefit scheme contributions, excluding those of directors	退休福利計劃供款(董事除外)	24	221
		<b>1,200</b>	6,766
Total employee benefits expenses	僱員福利開支總額		
Cost of inventories recognised as an expense	已確認為開支的存貨成本	2,174	17,942
Depreciation of an investment property	一項投資物業折舊	19	19
Depreciation of property, plant and equipment	物業、廠房及設備折舊	425	623
Amortisation of prepaid lease payments	預付租賃款項攤銷	24	24
Net exchange loss	匯兌虧損淨額	324	128

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 8. LOSS FOR THE PERIOD/COST OF SALES (CONTINUED)

#### Costs of sales

Cost of sales included cost of inventories and other direct operating cost of retail business such as rental of retail shops.

### 9. DIVIDEND

The Board does not recommend the payment of dividend for the three months ended 30 June 2017 (2016: Nil).

### 10. LOSS PER SHARE

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

### 8. 期內虧損／銷售成本(續)

#### 銷售成本

銷售成本包括存貨成本及零售業務的其他直接經營成本，如零售商舖租金。

### 9. 股息

董事會不建議就截至二零一七年六月三十日止三個月派付任何股息(二零一六年：無)。

### 10. 每股虧損

本公司擁有人應佔每股基本虧損乃按以下數據計算：

		Three months ended 30 June	
		截至六月三十日止三個月	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
<b>Loss</b>	<b>虧損</b>		
Loss for the purposes of basic loss per share (loss for the period attributable to the owners of the Company)	計算每股基本虧損所用的虧損(本公司擁有人應佔期內虧損)	(10,141)	(14,496)
		'000	'000
		千股	千股
<b>Number of shares</b>	<b>股份數目</b>		
Weighted average number of ordinary shares in issue for the purposes of basic loss per share	計算每股基本虧損所用的已發行普通股加權平均數	25,600,000	20,136,607

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 10. LOSS PER SHARE (CONTINUED)

No diluted loss per share has been presented for either period as the Company has no potential dilutive ordinary shares outstanding during both periods.

### 11. LEGAL PROCEEDING

#### Registration of Shares of the Company (the "Registration")

Reference is made to the Company's announcements dated 9 August 2016 and 28 October 2016 respectively in relation to the originating summons dated 27 July 2016 (the "Originating Summons of the Registration") filed by (i) Sun Jiyou; (ii) Chen Haiyan; (iii) Liu Jing; (iv) Ling Chuanshun; (v) Zhang Bing; and (vi) Xiao Laiwen as the plaintiffs (collectivity, the "Plaintiffs of the Registration") against the Company and Yang's Holding Capital Limited ("Yang's Holding") as the defendants in the High Court of Hong Kong (the "Court") (the "Legal Proceedings of the Registration") and a summons dated 28 July 2016 (the "Summons of the Registration") filed by the Plaintiffs of the Registration for the Legal Proceedings of the Registration.

### 10. 每股虧損(續)

由於本公司於兩個期間並無發行在外的潛在攤薄普通股，故並無呈列兩個期間的每股攤薄虧損。

### 11. 法律訴訟

本公司股份登記(「登記」)

茲提述本公司日期分別為二零一六年八月九日及二零一六年十月二十八日之公佈，內容有關由一份日期為二零一六年七月二十七日的原訴傳票(「登記原訴傳票」)，由(i) Sun Jiyou、(ii) Chen Haiyan、(iii) Liu Jing、(iv) Ling Chuanshun、(v) Zhang Bing及(vi) Xiao Laiwen作為原告(統稱「登記原告」)入稟香港高等法院(「法院」)對本公司及Yang's Holdings Capital Limited(「Yang's Holdings」)作為被告提出法律訴訟(「登記法律程序」)及登記原告就登記法律程序發出日期為二零一六年七月二十八日的傳票(「登記傳票」)。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Registration of Shares of the Company (the "Registration") (continued)

In the Originating Summons of the Registration, the Plaintiffs of the Registration sought, inter alia, (i) orders from the Court that the Company shall register in aggregate of 1,545,000,000 shares of the Company (the "Relevant Shares") which were allegedly transferred from Yang's Holdings to the Plaintiffs of the Registration; (ii) declaration from the Court that the Plaintiffs of the Registration are the beneficial owners of the Relevant Shares in their respective proportion; and (iii) an injunction, inter alia, that pending registration of the Plaintiffs of the Registration as the registered shareholders of the Company, Yang's Holdings shall exercise all rights attached to the Relevant Shares (including but not limited to voting rights at general meetings of the Company) according to the instructions of the Plaintiffs of the Registration and, that the Company shall exercise and/or count the votes of the Plaintiffs of the Registration in the general meetings.

In the Summons of the Registration, the Plaintiffs of the Registration applied for, inter alia, (i) an order that Yang's Holdings be compelled to exercise its voting rights in any general meetings of the Company in accordance with the instructions of the Plaintiffs of the Registration; (ii) an order that the Company shall register the transfer of the Relevant Shares (the "Registration Order Sought"); and (iii) an injunction against the Company that the Company be restrained from holding any general meeting of the shareholders (including but not limited to the annual general meeting) until such date after the completion of the registration of the Relevant Shares (the "Injunction Sought").

### 11. 法律訴訟(續)

#### 本公司股份登記(「登記」) (續)

根據登記原訴傳票，登記原告尋求(其中包括)(i)法庭頒令本公司須登記聲稱由Yang's Holdings轉讓予登記原告的合共1,545,000,000股本公司股份(「有關股份」)；(ii)法庭宣佈登記原告按各自所佔比例為有關股份的實益擁有人；及(iii)頒發禁制令促使(其中包括)Yang's Holdings在登記原告登記為本公司登記股東之前須按登記原告的指示行使有關股份附帶的全部權利(包括(但不限於)在本公司股東大會的表決權)，而本公司須承認及／或計算登記原告在股東大會上行使的表決權。

根據登記傳票，登記原告申請(其中包括)(i)頒令強制Yang's Holdings於本公司任何股東大會上按登記原告指示行使其表決權；(ii)頒令本公司須辦理有關股份的轉讓登記(「尋求登記令」)；及(iii)向本公司頒發禁制令不得舉行任何股東大會(包括(但不限於)股東週年大會)，直至辦妥有關股份登記手續翌日(「尋求禁制令」)。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Registration of Shares of the Company (the "Registration") (continued)

The Summons of the Registration was heard on 5 August 2016, the Court ordered, inter alia, that (i) Yang's Holdings shall exercise its voting rights in respect of the Relevant Shares in any general meetings of the Company in accordance with the instructions of the Plaintiffs of the Registration (the "Voting Order") and the other orders sought by the Plaintiffs of the Registration in the Summons of the Registration be adjourned for argument.

On 23 August 2016, Flying Mortgage Limited (the "Flying Mortgage"), who claims to have interests in the Relevant Shares, issued a summons ("Flying Mortgage Summons"), inter alia, for leave to (i) intervene in the Legal Proceedings of the Registration; (ii) be joined as the third defendant in the Legal Proceedings of the Registration; and (iii) vary the Voting Order to the effect that Yang's Holding shall not exercise its voting rights in respect of the Relevant Shares in any general meeting of the Company.

The Court gave a written decision on 26 October 2016 and ruled upon the Company's undertaking not to register the transfer of the Relevant Shares in it until further order of the Court, inter alia, that (i) the application by the Plaintiffs of the Registration for the Registration Order Sought and the Injunction Sought in the Summons of the Registration be dismissed; (ii) the Voting Order be varied to the effect that Yang's Holdings shall not exercise its voting rights in respect of the Relevant Shares in any general meeting of the Company until further order; (iii) Flying Mortgage was allowed to intervene and be joined as the third defendant in the Legal Proceedings of the Registration; and (iv) the Company shall not register the Relevant Shares until further order of the Court.

### 11. 法律訴訟(續)

#### 本公司股份登記(「登記」) (續)

登記傳票已於二零一六年八月五日進行聆訊，法院頒令(其中包括)(i) Yang's Holdings須於本公司任何股東大會上按登記原告指示行使有關股份的表決權(「表決令」)；及押後爭論登記原告於登記傳票中尋求的其他命令。

於二零一六年八月二十三日，聲稱於有關股份擁有權益的飛亞物業按揭有限公司(「飛亞物業按揭」)發出一份傳票(「飛亞物業按揭傳票」)，要求許可(其中包括)(i)介入登記法律程序；(ii)加入為登記法律程序第三被告；及(iii)修改表決令，以使Yang's Holdings不得於本公司任何股東大會上行使有關股份的表決權。

法院於二零一六年十月二十六日作出書面判決，裁定在本公司承諾不會登記有關股份的轉讓直至法院作進一步命令為止後，(其中包括)(i)撤銷登記原告在登記傳票中提出尋求登記令及尋求禁制令的申請；(ii)修改表決令，以使Yang's Holdings不得於本公司任何股東大會上行使有關股份的表決權，直至有進一步頒令；(iii)飛亞物業按揭獲准介入登記法律程序及加入為第三被告；及(iv)本公司不得登記有關股份直至法院作進一步命令。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Registration of Shares of the Company (the "Registration") (continued)

The Directors of the Company will follow the Court Order in relation to the Registration of the Shares. As a result, no contingent liability is expected up to the issue of the quarterly report.

#### Share Options of the Company (the "Share Options")

Reference is made to the Company's announcement dated 2 September 2016 in relation to, inter alia, (i) a draft originating summons to be filed by Ge Qingfu, Li Quan and Liu Longcheng as the plaintiffs (collectively, the "Plaintiffs of the Share Options") against the Company and all the directors of the Company (the "Directors") and Mr. Yang Si Hang ("Mr. Yang") as the defendants in the Court; and (ii) a draft injunction order received by the Company's legal adviser on 26 August 2016.

The Company's legal adviser received on 30 August 2016 a hearing bundle containing, inter alia, an originating summons (the "Originating Summons of the Share Options") issued by the Plaintiffs of the Share Options on 26 August 2016 and claimed against the Company, the Directors, Mr. Yang, eight grantees of share options referred to in the Company's announcement dated 22 August 2016 (the "Share Option Announcement"), and two broker firms as the defendants in the Court under action number HCMP 2222 of 2016 (the "Legal Proceedings of the Share Options") and a draft injunction order for the Legal Proceedings of the Share Options.

### 11. 法律訴訟(續)

本公司股份登記(「登記」)  
(續)

本公司董事將遵從有關股份登記的法院命令。因此，預期直至刊發季報為止不會有或然負債。

本公司購股權(「購股權」)

茲提述本公司日期為二零一六年九月二日之公佈，內容有關(其中包括)(i)Ge Qingfu、Li Quan及Liu Longcheng(作為原告)(統稱「購股權原告」)入稟法院向本公司、本公司全體董事(「董事」)及楊詩恒先生(「楊先生」，作為被告)發出之原訴傳票草擬本；及(ii)本公司法律顧問於二零一六年八月二十六日接獲之強制令草擬本。

本公司法律顧問於二零一六年八月三十日另收到一疊聆訊文件，當中包括(其中包括)購股權原告於二零一六年八月二十六日發出的原訴傳票(「購股權原訴傳票」)，根據案件編號二零一六年HCMP 2222於法院向本公司、董事、楊先生、本公司日期為二零一六年八月二十二日的公佈(「購股權公佈」)所述八名購股權承授人及兩家經紀公司(作為購股權被告)作出索償(「購股權法律程序」)，以及購股權法律程序之強制令草擬本。

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## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Share Options of the Company (the "Share Options") (continued)

In the Originating Summons of the Share Options, the Plaintiffs of the Share Options sought reliefs, inter alia, (i) a declaration that the granting of the 2,000,000,000 share options referred to in the Share Option Announcement ("Purported Options") is void and of no legal effect or, alternatively, voidable; (ii) a declaration that any allotment of shares made pursuant to the exercise of any of the Purported Options is void and no legal effect or, alternatively, voidable; (iii) the Company, the Directors and Mr. Yang (whether acting by themselves, their officers, servants, agents or otherwise howsoever) be restrained from: (1) recognising or giving effect or otherwise taking any step to implement the purported exercise of any of the Purported Options; (2) recognising or giving effect or otherwise taking any step to implement the exercise of any disposition, rights (including voting rights) or power attached to the 1,800,000,000 shares of the Company derived from the exercise of the Purported Options; (3) taking, or procuring the taking, of any steps to alter the issued share capital of the Company save and except for those which are for proper purposes and in the best interests of the Company; (4) taking, or procuring the taking, of any step to frustrate or defeat the requisition contained in the notice of requisition dated 23 August 2016 issued by the Plaintiffs (the "Plaintiffs Requisition") for the purpose of convening an extraordinary general meeting of the Company to be held; or alternatively, an order requiring the Company to convene the extraordinary general meeting set out in the Plaintiffs Requisition within 21 days from the date of deposit of the requisition in accordance with Article 12.3 of the Articles of Association of the Company.

### 11. 法律訴訟(續)

#### 本公司購股權(「購股權」)(續)

於購股權原訴傳票內，購股權原告尋求(其中包括)(i)聲明購股權公佈所述授出2,000,000,000份購股權(「指稱購股權」)屬無效及不具法律效力或可被撤銷；(ii)聲明因任何指稱購股權獲行使而配發任何股份屬無效及不具法律效力或可被撤銷；(iii)限制本公司、董事及楊先生(不論自行及由其主管、僱員、代理或其他人士行事)：(1)確認或落實或以其他方式採取任何步驟以執行任何指稱購股權之意圖行使；(2)確認或落實或以其他方式採取任何步驟以執行指稱購股權獲行使所涉及1,800,000,000股本公司股份附帶之任何安排、權利(包括投票權)或權力；(3)採取或促使採取任何步驟以改變本公司之已發行股本，惟出於適當目的及符合本公司最佳利益者除外；(4)採取或促使採取任何步驟以阻撓或拒絕原告就召開本公司股東特別大會所發出日期為二零一六年八月二十三日之要求通知(「原告要求」)所載要求；或頒令本公司須於根據本公司組織章程細則第12.3條送達要求當日起計21日內召開原告要求所載之股東特別大會。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Share Options of the Company (the "Share Options") (continued)

In the draft injunction order, the Plaintiffs sought the following reliefs against the Company, the Directors and Mr. Yang (the "Ex Parte Injunction Application") that until determination of the Legal Proceedings or further order of the Court, the Company, the Directors and Mr. Yang (whether acting by themselves, their officers, servants, agents or otherwise howsoever) be restrained from: (i) recognising or giving effect or to otherwise taking any step to implement the purported exercise of any of Purported Options; (ii) recognising or giving effect or otherwise taking any step to implement the exercise of any disposition, rights (including voting rights) or power attached to the 1,800,000,000 shares of the Company derived from the exercise of the Purported Options; (iii) taking or procuring the taking, of any steps to alter the issued share capital of the Company save for those which are for proper purposes and in the best interests of the Company; (iv) taking or procuring the taking, of any steps to frustrate or defeat the Plaintiffs' Requisition for the purpose of convening an Extraordinary General Meeting of the Company to be held and alternately an Order requiring the Company to convene the Extraordinary General Meeting set out in the Plaintiffs' Requisition within 21 days from the date of deposit of the requisition in accordance with Article 12.3 of the Articles of Association of the Company.

### 11. 法律訴訟(續)

#### 本公司購股權(「購股權」) (續)

於強制令草擬本內，原告針對本公司、董事及楊先生尋求下列事項(「單方面強制令申請」)，要求於法律程序作出判決或法院進一步頒令前，限制本公司、董事及楊先生(不論自行及由其主管、僱員、代理或其他人士行事)：(i) 確認或落實或以其他方式採取任何步驟以執行任何指稱購股權之意圖行使；(ii) 確認或落實或以其他方式採取任何步驟以執行指稱購股權獲行使所涉及1,800,000,000股本公司股份附帶之任何安排、權利(包括投票權)或權力；(iii) 採取或促使採取任何步驟以改變本公司之已發行股本，惟出於適當目的及符合本公司最佳利益者除外；(iv) 採取或促使採取任何步驟以阻撓或拒絕原告就召開本公司股東特別大會所發出原告要求；或頒令本公司須於根據本公司組織章程細則第12.3條送達要求當日起計21日內召開原告要求所載之股東特別大會。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Share Options of the Company (the "Share Options") (continued)

The hearing of the Ex Parte Injunction Application was heard on 31 August 2016. In the said hearing, the Company and the Directors undertook to the Court, inter alia, not to give effect to the exercise of any of the outstanding 200,000,000 share options and not to alter the issued share capital of the Company without the leave of the Court. Upon the said undertakings, the Court ordered, inter alia, that the Plaintiffs shall issue an inter parte summons by 2 September 2016 identifying the injunctive reliefs sought against the Company and the Directors and that the hearing of the Summons will be fixed with 2 days reserved. No injunction order or disclosure order was made against the Company and Directors.

### 11. 法律訴訟(續)

#### 本公司購股權(「購股權」) (續)

單方面強制令申請已於二零一六年八月三十一日舉行聆訊。於上述聆訊中，本公司及董事向法院承諾(其中包括)未經法院許可，彼等不會落實行使該200,000,000份尚未行使購股權，及不會改變本公司之已發行股本。於作出上述承諾後，法院頒令(其中包括)原告須於二零一六年九月二日前發出一份傳召訴訟各方之傳票，確認針對本公司及董事之禁制令，而傳票之聆訊將延遲兩日排期。並無向本公司及董事發出強制令或披露命令。

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## 簡明綜合財務報表附註

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### 11. LEGAL PROCEEDING (CONTINUED)

#### Share Options of the Company (the "Share Options") (continued)

On 2 September 2016, the Plaintiffs filed an Inter Parte Summons ("the Inter Parte Summons") seeking the following reliefs against, inter alia, the Company, the Directors and Mr. Yang that until further order of the Court, the Company, the Directors and Mr. Yang (whether acting by themselves, their officers, servants, agents or otherwise howsoever) be restrained from: (i) recognising or giving effect or to otherwise taking any step to implement the Purported Options in relation to the exercise of any of the 200,000,000 share options out of the Purported Options, which was described by the Company as having been accepted by the grantee(s) and for which no share has been issued and the exercise of any of the 200,000,000 share options out of the Purported Options which the Company described as not having been accepted by the grantee(s) and have lapsed; (ii) recognising or giving effect or otherwise taking into account the 1,600,000,000 shares in the Company ("the Impugned Shares") issued to and registered in the names of the grantees on 23 August 2016 pursuant to the Purported Options for the following purposes: (a) determining the Plaintiffs' shareholding in the Company as at 23 August 2016, the date of the Plaintiffs' Requisition; (b) challenging or otherwise disputing the Plaintiffs' right to convene an extraordinary general meeting of the Company for the purpose of considering the proposed resolutions contained in the Plaintiffs' Requisition in the event that the Board does not within 21 days of the deposit of the Plaintiff's Requisition proceed to convene an extraordinary general meeting; (c) challenging or otherwise disputing the validity of the "pre-conditional voluntary conditional securities exchange and cash offer" contained

### 11. 法律訴訟(續)

#### 本公司購股權(「購股權」) (續)

於二零一六年九月二日，原告發出一份傳召訴訟各方之傳票(「訴訟各方傳票」)，針對(其中包括)本公司、董事及楊先生尋求下列事項，要求於法院進一步頒令前，限制本公司、董事及楊先生(不論自行及由其主管、僱員、代理或其他人士行事)：(i) 確認或落實或以其他方式採取任何步驟以執行指稱購股權(涉及行使指稱購股權中任何本公司聲稱已獲承授人接納而並未獲發行股份的200,000,000份購股權及涉及行使指稱購股權中任何本公司聲稱未獲承授人接納及已失效的200,000,000份購股權)；(ii) 為以下目的確認或落實或以其他方式計入於二零一六年八月二十三日根據指稱購股權發行予承授人並以其名義登記的1,600,000,000股本公司股份(「爭議股份」)：(a) 確定原告於二零一六年八月二十三日(即原告要求的日期)所佔本公司股權；(b) 反對或以其他方式否定原告在董事會並未於遞交原告要求後21日內著手召開股東特別大會的情況下就考慮原告要求所載建議決議案而召開本公司股東特別大會的權利；(c) 反對或以其他方式否定Favourite Number Limited與WLS Holdings Limited於二零一六年八月十八日發出



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## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Share Options of the Company (the “Share Options”) (continued)

in the Joint Announcement made by Favourite Number Limited and WLS Holdings Limited on 18 August 2016; (iii) taking or procuring the taking, of any steps to alter the issued share capital of the Company except with the approval of the Court; (iv) taking or procuring the taking, of any steps to frustrate or defeat the Plaintiffs’ Requisition and, alternatively, the Company, the Directors and Mr. Yang do convene an Extraordinary General Meeting of the Company to be held for the purpose of considering, inter alia, the proposed resolutions contained in the Plaintiffs’ Requisition within the next 3 days of the order to be made by the Court, or alternatively, the Directors and Mr. Yang do within the next 14 days acquire 1,600,000,000 shares in the Company and return them to the Company for cancellation, whereupon the Company shall within the next 7 days cancel those shares and pay the amount received by the Company from the issue of 1,600,000,000 shares in the Company pursuant to the Purported Options to the Directors and Mr. Yang.

### 11. 法律訴訟(續)

#### 本公司購股權(「購股權」) (續)

的聯合公佈所載「附帶先決條件自願有條件證券交換要約及現金要約」的效力；(iii)採取或促使採取任何步驟以改變本公司的已發行股本(獲法院批准除外)；(iv)採取或促使採取任何步驟以阻撓或拒絕原告要求，而另一方面，本公司、董事及楊先生須於法院頒令後3日內就考慮(其中包括)原告要求所載建議決議案召開本公司股東特別大會，或於14日內購入1,600,000,000股本公司股份並退還本公司以供註銷，屆時本公司須於其後7日內註銷該等股份，並將本公司就根據指稱購股權發行1,600,000,000股本公司股份所收款項支付予董事及楊先生。



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## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Share Options of the Company (the "Share Options") (continued)

The Inter Parte Summons was heard on 1 and 2 November 2016. Upon the Company and the Directors' undertaking to (i) restrain from recognising, giving effect or otherwise taking any step to implement the Purported Options in relation to the exercise of any of the 200,000,000 share options out of Purported Options, which was described by the Company as having been accepted by the grantee(s) and for which no share has been issued and the exercise of any of the 200,000,000 share options out of the Purported Options, which the Company described as not having been accepted by the grantee(s) and have lapsed; and (ii) restrain from taking or procuring the taking, of any steps to alter the issued share capital of the Company unless and until the Company has given the Plaintiffs 5 working days prior written notice of their intention to do so, the Court has, inter alia, ordered on 2 November 2016 that there be a speedy trial of this proceedings on dates to be fixed.

No other injunction order was made against the Company, the directors of the Company and Mr. Yang. The Company is seeking legal advice in respect of the Legal Proceedings of the Share Options.

The Legal Proceedings of the Share Options was fixed to be tried on 12 July 2017 at 10 a.m. with 8 days reserved (i.e. 12 to 21 July 2017). The Company will make further announcement(s) to keep its shareholder and investors informed of any result as and when appropriate.

### 11. 法律訴訟(續)

#### 本公司購股權(「購股權」) (續)

訴訟各方傳票已於二零一六年十一月一日及二日舉行聆訊。於本公司及董事承諾(i)接受限制不確認、落實或以其他方式採取任何步驟以執行指稱購股權(涉及行使指稱購股權中任何本公司聲稱已獲承授人接納而並未獲發行股份的200,000,000份購股權及涉及行使指稱購股權中任何本公司聲稱未獲承授人接納及已失效的200,000,000份購股權);及(ii)接受限制不採取或促使採取任何步驟以改變本公司的已發行股本(除非及直至本公司已事先給予原告5個工作天書面通知表示有此意向)後,法院於二零一六年十一月二日頒令(其中包括)盡快擇日審理此宗訴訟程序。

並無向本公司、本公司董事及楊先生發出其他強制令。本公司正就購股權法律程序徵詢法律意見。

購股權法律程序編訂於二零一七年七月十二日上午十時正,預留8日(即二零一七年七月十二日至二十一日)進行審理。本公司將適時作出進一步公佈以保持其股東與投資者知悉任何結果。

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## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Kim Sungho's First Legal Proceeding

Reference is made to the Company's announcement dated on 28 November 2016. The Company has on 26 November 2016 received a writ of summons ("Mr. Kim's First Writ") filed by Mr. Kim Sungho ("Mr. Kim") as the plaintiff against the Company and the Directors as the defendants under a legal proceeding in the Court ("Mr. Kim's First Legal Proceeding").

Pursuant to claims generally indorsed on Mr. Kim's First Writ, Mr. Kim claimed, inter alia, for a declaration that the Directors and the Company have committed offences under section 351 of Part XV of Securities and Futures Ordinance ("SFO") which requires directors, chief executives and substantial shareholders to disclose their interest in the shares and debentures of the Company.

#### Lim Hang Young's First Legal Proceeding

Reference is made to the Company's announcement dated on 28 November 2016. The Company has on 26 November 2016 received a writ of summons ("Mr. Lim's First Writ") filed by Mr. Lim Hang Young ("Mr. Lim") as the plaintiff against the Directors and the Company as the defendants under a legal proceeding in the Court ("Mr. Lim's First Legal Proceeding").

Pursuant to claims generally indorsed on Mr. Lim's First writ, Mr. Lim claimed, among other things, for (i) a declaration that the Directors and the Company have committed offences under section 351 of Part XV of SFO and for violation of disclosure of interests rules; and (ii) an order for the Company to exert its power under section 329 of SFO to investigate the holders of interests in its shares and debentures.

### 11. 法律訴訟(續)

#### Kim Sungho 首項法律程序

茲提述本公司日期為二零一六年十一月二十八日的公佈。於二零一六年十一月二十六日，本公司接獲由Kim Sungho先生(「Kim先生」)作為一項法律程序(「Kim先生首項法律程序」)的原告入稟法院對本公司及董事作為被告發出的傳訊令狀(「Kim先生首份傳訊令狀」)。

據Kim先生首份傳訊令狀大致上聲稱，Kim先生提出(其中包括)宣判董事及本公司已觸犯證券及期貨條例(「證券及期貨條例」)第XV部第351條項下規定董事、高級行政人員及主要股東披露彼等於本公司股份及債權證的權益的罪行。

#### Lim Hang Young 首項法律程序

茲提述本公司日期為二零一六年十一月二十八日的公佈。於二零一六年十一月二十六日，本公司接獲由Lim Hang Young先生(「Lim先生」)作為一項法律程序(「Lim先生首項法律程序」)的原告入稟法院對董事及本公司作為被告發出的傳訊令狀(「Lim先生首份傳訊令狀」)。

據Lim先生首份傳訊令狀大致上聲稱，Lim先生提出(其中包括)(i)宣判董事及本公司已觸犯證券及期貨條例第XV部第351條項下罪行及違反披露權益規定；及(ii)頒令本公司行使證券及期貨條例第329條項下權力以調查持有人於其股份及債權證的權益。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Joung Jong Hyun's First Legal Proceeding

Reference is made to the Company's announcement dated on 28 November 2016, the Company has on 26 November 2016 received a writ of summons ("Mr. Joung's First Writ") filed by Joung Jong Hyun ("Mr. Joung") as the plaintiff against the Directors and the Company as the defendants under a legal proceeding in the Court ("Mr. Joung's First Legal Proceeding").

Based on the claims generally indorsed on Mr. Joung's First Writ, Mr. Joung requested, among other things, for a declaration that the Directors and the Company have committed offences under section 25(1) of the Organized and Serious Crime Ordinance.

#### Kim Sungho's Second Legal Proceedings

Reference is made to the Company's announcement dated on 6 December 2016. The Company has on 5 December 2016 received a writ of summons ("Mr. Kim's Second Writ") filed on 1 December 2016 by Mr. Kim as the plaintiff against the Directors, the Company and Deloitte Touche Tohmatsu, an auditor of the Company ("Deloitte") as the defendants under a legal proceeding in the Court ("Mr. Kim's Second Legal Proceeding").

### 11. 法律訴訟(續)

#### Joung Jong Hyun 首項法律程序

茲提述本公司日期為二零一六年十一月二十八日的公佈。於二零一六年十一月二十六日，本公司接獲由Joung Jong Hyun (「Joung先生」)作為一項法律程序(「Joung先生首項法律程序」)的原告入稟法院對董事及本公司作為被告發出的傳訊令狀(「Joung先生首份傳訊令狀」)。

據Joung先生首份傳訊令狀大致上聲稱，Joung先生要求(其中包括)宣判董事及本公司已觸犯有組織及嚴重罪行條例第25(1)條項下罪行。

#### Kim Sungho 第二項法律程序

茲提述本公司日期為二零一六年十二月六日的公佈。於二零一六年十二月五日，本公司接獲由Kim先生作為一項法律程序(「Kim先生第二項法律程序」)的原告於二零一六年十二月一日入稟法院對董事、本公司及本公司核數師德勤•關黃陳方會計師行(「德勤」)作為被告發出的傳訊令狀(「Kim先生第二份傳訊令狀」)。

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## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Kim Sungho's Second Legal Proceedings (continued)

Pursuant to claims generally indorsed on Mr. Kim's Second Writ, Mr. Kim claimed against the Directors for (i) a declaration that the Directors conspired and directed various accounting irregularities practices by the Company and its subsidiaries; (ii) an order to pay compensation to the Company for damages. Mr. Kim further claimed against Deloitte for (i) a declaration that Mr. Kwong conducted the negligent accounting review for the Company; and (ii) an order to pay compensation to the Company for damages. The Company is enjoined in the Kim's Second Legal Proceeding to execute any orders by the Court.

#### Kim Sungho's Third Legal Proceeding

Reference is made to the Company's announcement dated on 6 December 2016. The Company has on 5 December 2016 received another writ of summons ("Mr. Kim's Third Writ") filed on 2 December 2016 by Mr. Kim as the plaintiff against (i) Yang's Holdings Capital Limited, a substantial shareholder of the Company ("Yang's Holdings"); and (ii) the Company as the defendants under another legal proceeding in the Court ("Mr. Kim's Third Legal Proceeding").

Pursuant to claims generally indorsed on Mr. Kim's Third Writ, Mr. Kim claimed for (i) a declaration that Yang's Holdings beneficially holds and/or controls more than 30% of the outstanding shares in the Company and is subject to the mandatory general offer obligation; and (ii) an order that Yang's Holdings launches obligatory mandatory general offer.

### 11. 法律訴訟(續)

#### Kim Sungho 第二項法律程序(續)

據Kim先生第二份傳訊令狀大致上聲稱，Kim先生針對董事提出(i)宣判董事串謀及引導本公司及其附屬公司作出若干會計違規行為；(ii)頒令賠償本公司的損失。Kim先生進一步針對德勤提出(i)宣判鄭先生為本公司所進行會計審閱出現疏忽；及(ii)頒令賠償本公司的損失。於Kim先生第二項法律程序中，本公司遭勒令執行法院任何命令。

#### Kim Sungho 第三項法律程序

茲提述本公司日期為二零一六年十二月六日的公佈。於二零一六年十二月五日，本公司接獲由Kim先生作為另一項法律程序(「Kim先生第三項法律程序」)的原告於二零一六年十二月二日入稟法院對案中被告(i)本公司主要股東Yang's Holdings Capital Limited(「Yang's Holdings」)；及(ii)本公司發出的另一份傳訊令狀(「Kim先生第三份傳訊令狀」)。

據Kim先生第三份傳訊令狀大致上聲稱，Kim先生提出(i)宣判Yang's Holdings實益持有及／或控制本公司發行在外股份逾30%，須承擔提出強制性全面收購建議的責任；及(ii)頒令Yang's Holdings展開強制性全面收購建議。

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## 簡明綜合財務報表附註

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### 11. LEGAL PROCEEDING (CONTINUED)

#### Joung Jong Hyun's Second Legal Proceeding

Reference is made to the Company's announcement dated on 6 December 2016. The Company has on 5 December 2016 further received a writ of summons ("Mr. Joung's Second Writ") filed on 3 December 2016 by Mr. Joung as the plaintiff against the Directors, the Company; and Yang's Holdings as the defendants under a legal proceeding in the Court ("Mr. Joung's Second Legal Proceeding").

Based on claims generally indorsed on Mr. Joung's Second Writ, Mr. Joung claimed, among other things, for (i) a declaration that the Directors, the Company and Yang's Holdings have conspired for stock price manipulation, using the multi-layer marketing methods, and caused enormous loss to independent shareholders of the Company; and (ii) an order that the Directors, the Company and Yang's Holdings to pay HK\$500,000,000 to the independent shareholders of the Company.

#### Lee Moonkyu's First Legal Proceeding

Reference is made to the Company's announcement dated on 12 December 2016. The Company has on 8 December 2016 received a writ of summons (the "Lee's Writ") dated 5 December 2016 filed by Mr. Lee Moonkyu as the plaintiff against the Directors, the Company and Mr. Yang Sit Hang as the defendants under a legal proceeding in the Court ("Mr. Lee's First Legal Proceeding").

### 11. 法律訴訟(續)

#### Joung Jong Hyun 第二項法律程序

茲提述本公司日期為二零一六年十二月六日的公佈。於二零一六年十二月五日，本公司進一步接獲由Joung先生作為一項法律程序(「Joung先生第二項法律程序」)的原告於二零一六年十二月三日入稟法院對董事、本公司及Yang's Holdings作為被告發出的傳訊令狀(「Joung先生第二份傳訊令狀」)。

據Joung先生第二份傳訊令狀大致上聲稱，Joung先生提出(其中包括)(i)宣判董事、本公司及Yang's Holdings串謀使用多層營銷方法操縱股價，以及令本公司獨立股東蒙受巨大損失；及(ii)頒令董事、本公司及Yang's Holdings向本公司獨立股東支付500,000,000港元。

#### Lee Moonkyu 首項法律程序

茲提述本公司日期為二零一六年十二月十二日的公佈。於二零一六年十二月八日，本公司接獲由Lee Moonkyu先生作為一項法律程序(「Lee先生首項法律程序」)的原告入稟法院對董事、本公司及Yang Sit Hang先生作為被告所發出日期為二零一六年十二月五日的傳訊令狀(「Lee先生傳訊令狀」)。

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## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Lee Moonkyu's First Legal Proceeding (continued)

Pursuant to claims generally indorsed on the Lee's Writ, Mr. Lee claimed, inter alia, for (i) a declaration that the Directors, the Company and Mr. Yang Sit Hang have committed offences under Section 25(1) of the Organized and Serious Crime Ordinance; and (ii) a declaration that the Directors, the Company and Mr. Yang Sit Hang have conspired for stock price manipulation, using the multi-layer marketing methods, and caused enormous loss to independent shareholders of the Company.

#### Lim Hang Young's Second Legal Proceeding

Reference is made to the Company's announcement dated on 12 December 2016. The Company has on 12 December 2016 received a writ of summons (the "Lim's Second Writ") dated 6 December 2016 filed by Mr. Lim as the plaintiff against the Directors, the Company, Mr. Yang Wan Ho (a substantial shareholder of the Company) and Mr. Ge Qingfu (a substantial shareholder of the Company) as the defendants under a legal proceeding in the Court ("Mr. Lim's Second Legal Proceeding").

Pursuant to claims generally indorsed on the Lim's Second Writ, Mr. Lim claimed, inter alia, for (i) a declaration that the Directors, the Company, Mr. Yang Wan Ho and Mr. Ge Qingfu have committed offences under Part XV of Securities and Future Ordinance (Section 351) and for false disclosure of interest; and (ii) a declaration that the Directors, the Company, Mr. Yang Wan Ho and Mr. Ge Qingfu have engaged in the multi-layer marketing scheme to improperly boost the stock price of the Company to 85 times the current level (in the past 52 weeks), to market capitalization of over \$20 billion, only drop back to the current level.

### 11. 法律訴訟(續)

#### Lee Moonkyu 首項法律程序(續)

據Lee先生傳訊令狀大致上聲稱，Lee先生提出(其中包括)(i) 宣判董事、本公司及Yang Sit Hang先生已觸犯有組織及嚴重罪行條例第25(1)條項下罪行；及(ii)宣判董事、本公司及Yang Sit Hang先生串謀使用多層營銷方法操縱股價，以及令本公司獨立股東蒙受巨大損失。

#### Lim Hang Young 第二項法律程序

茲提述本公司日期為二零一六年十二月十二日的公佈。於二零一六年十二月十二日，本公司接獲由Lim先生作為一項法律程序(「Lim先生第二項法律程序」)的原告入稟法院對董事、本公司、本公司主要股東楊文豪先生及本公司主要股東葛慶福先生作為被告所發出日期為二零一六年十二月六日的傳訊令狀(「Lim先生第二份傳訊令狀」)。

據Lim先生第二份傳訊令狀大致上聲稱，Lim先生提出(其中包括)(i)宣判董事、本公司、楊文豪先生及葛慶福先生已觸犯證券及期貨條例第XV部第351條項下罪行及違反披露權益規定；及(ii)宣判董事、本公司、楊文豪先生及葛慶福先生參與多層營銷計劃，以不當手法將本公司股價推高至過去52週現水平的85倍，市值超過200億元，僅股價其後回落至現水平。

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## 簡明綜合財務報表附註

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### 11. LEGAL PROCEEDING (CONTINUED)

#### Lim Hang Young's Third Legal Proceeding

Reference is made to the Company's announcement dated on 23 December 2016. The Company has on 23 December 2016 received a writ of summons (the "Lim's Third Writ") dated 16 December 2016 filed by Mr. Lim as the plaintiff against (i) the Stock Exchange of Hong Kong Limited (the "Stock Exchange"); (ii) Yu Ming Investment Management Limited ("Yu Ming"); and (iii) the Company as the defendants under a legal proceeding in the Court ("Mr. Lim's Third Legal Proceeding").

Pursuant to the claims generally indorsed on the Lim's Third Writ, Mr. Lim sought, inter alia, for (i) a declaration against Stock Exchange that the Stock Exchange has acted in bad faith in the vetting of the share subscription during the general offer period; (ii) an order against the Stock Exchange to rescind all listing approvals; (iii) a declaration against Yu Ming that Yu Ming purposefully ill advised the Company to break various Listing Rules, including assisting the Company in its multi-layer marketing scheme; and (iv) an order against the Company to apply for self-delisting.

### 11. 法律訴訟(續)

#### Lim Hang Young 第三項法律程序

茲提述本公司日期為二零一六年十二月二十三日的公佈。於二零一六年十二月二十三日，本公司接獲由Lim先生作為一項法律程序(「Lim先生第三項法律程序」)的原告入稟法院對案中被告(i)香港聯合交易所有限公司(「聯交所」)；(ii)禹銘投資管理有限公司(「禹銘」)；及(iii)本公司所發出日期為二零一六年十二月十六日的傳訊令狀(「Lim先生第三份傳訊令狀」)。

據Lim先生第三份傳訊令狀大致上聲稱，Lim先生尋求(其中包括)(i)宣判聯交所於全面要約期間在審批股份認購事項上辦事不力；(ii)頒令聯交所撤銷所有上市批准；(iii)宣判禹銘蓄意誤導本公司違反多項上市規則，包括協助本公司的多層營銷計劃；及(iv)頒令本公司申請自行除牌。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Kim Sungho's Fourth Legal Proceeding

Reference is made to the Company's announcement dated on 28 December 2016. The Company has on 28 December 2016 received a writ of summons (the "Kim's Fourth Writ") dated 20 December 2016 filed by Mr. Kim as the plaintiff against (i) Gram Capital Limited, an independent financial adviser to the independent board committee of the Company ("Gram Capital"); (ii) Mr. Wong Chiu Po, a non-executive director of the Company; (iii) Mr. Mai Chi Ming; (iv) Mr. Chan Ming Sun Jonathan, an independent non-executive director of the Company; and (v) the Company as the defendants (collectively, the "Defendants") under a legal proceeding in the Court ("Mr. Kim's Forth Legal Proceeding").

Pursuant to the claims generally indorsed on the Kim's Fourth Writ, Mr. Kim sought inter alia, for (i) a declaration against the Defendants that the Defendants have conspired to assist the owners of the Company to commit offences under Section 25(1) of the Organized and Serious Crime Ordinance, i.e. they knew, or had reasonable grounds to believe, that on multifarious and respective occasions, and through complex "layering" vehicles mostly related to the Company, were dealing with the proceeds of an indictable offence; and (ii) an order against Gram Capital that Gram Capital to immediately resign as independent financial adviser to the Company.

### 11. 法律訴訟(續)

#### Kim Sungho 第四項法律程序

茲提述本公司日期為二零一六年十二月二十八日的公佈。於二零一六年十二月二十八日，本公司接獲由Kim先生作為一項法律程序(「Kim先生第四項法律程序」)的原告入稟法院對案中被告(i)本公司獨立董事委員會之獨立財務顧問嘉林資本有限公司(「嘉林資本」)；(ii)本公司非執行董事黃昭堡先生；(iii)馬志明先生；(iv)本公司獨立非執行董事陳銘樂先生；及(v)本公司(統稱「該等被告」)所發出日期為二零一六年十二月二十日的傳訊令狀(「Kim先生第四份傳訊令狀」)。

據Kim先生第四份傳訊令狀大致上聲稱，Kim先生尋求(其中包括)(i)宣判該等被告合謀協助本公司擁有人觸犯有組織及嚴重罪行條例第25(1)條項下罪行，即彼等知道或有合理理由相信，在各種重複的情況，以及透過多數與本公司相關的複雜「分層」工具，處理可公訴罪行的得益；(ii)頒令嘉林資本立即辭任本公司獨立財務顧問。



# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Kim Sungho's Fifth Legal Proceeding

Reference is made to the Company's announcement dated on 6 January 2017, the Company has on 6 January 2017 received a writ of summons (the "Kim's Fifth Writ") dated and filed on 3 January 2017 by Mr. Kim as the plaintiff against (i) Strong Light Investments Limited, a substantial shareholder of the Company ("Strong Light"); (ii) FP Sino-Rich Securities & Futures Limited ("FP"); (iii) Yu Ming Investment Management Limited ("Yu Ming"); and (iv) the Company as the defendants under a legal proceeding in the Court ("Mr. Kim's Fifth Legal Proceeding").

Pursuant to the claim generally indorsed on the Kim's Fifth Writ, the Plaintiff sought, inter alia, for (i) a declaration against Strong Light that Strong Light and its parties acting in concert has accumulated over 30% of the outstanding shares in the Company, thus triggering the mandatory general offer; and (ii) a declaration against FP and Yu Ming that FP purposefully ill advised the Company to break various Listing Rules, including assisting the Company in its multi-layer marketing scheme; (iii) an Order against all defendants for costs and reliefs for damages.

#### Joung Jon Hyun's Third Legal Proceeding

Reference is made to the Company's announcement dated on 3 February 2017. The Company has on 3 February 2017 received a writ of summons (the "Joung's Third Writ") dated 1 February 2017 filed by Mr. Joung as the plaintiff against the Directors, the Company and Hastings & Co. ("Hastings") as the defendants under a legal proceeding in the court ("Mr. Joung's Third Legal Proceeding").

### 11. 法律訴訟(續)

#### Kim Sungho 第五項法律程序

茲提述本公司日期為二零一七年一月六日的公佈。於二零一七年一月六日，本公司接獲由Kim先生作為一項法律程序(「Kim先生第五項法律程序」)的原告入稟法院對案中被告(i)本公司主要股東昌亮投資有限公司(「昌亮」)；(ii)富泰中順證券期貨有限公司(「富泰」)；(iii)禹銘投資管理有限公司(「禹銘」)；及(iv)本公司所發出日期為二零一七年一月三日的傳訊令狀(「Kim先生第五份傳訊令狀」)。

據Kim先生第五份傳訊令狀大致上聲稱，原告尋求(其中包括)(i)針對昌亮的宣判，內容有關昌亮及其一致行動人士因累計擁有本公司發行在外股份逾30%而觸發強制性全面收購建議；及(ii)針對富泰及禹銘的宣判，內容有關富泰蓄意誤導本公司違反多項上市規則，包括協助本公司的多層營銷計劃；(iii)頒令要求被告作出成本及損害補償。

#### Joung Jon Hyun 第三項法律程序

茲提述本公司日期為二零一七年二月三日的公佈。於二零一七年二月三日，本公司接獲由Joung先生作為一項法律程序(「Joung先生第三項法律程序」)的原告入稟法院針對董事、本公司及希仕廷律師行(「希仕廷」)(作為該等被告)所發出日期為二零一七年二月一日之傳訊令狀(「Joung先生第三份傳訊令狀」)。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Joung Jon Hyun's Third Legal Proceeding (continued)

Pursuant to the claims generally indorsed on Mr. Joung's Third Writ, Mr. Joung sought, inter alia, for (i) a declaration that the Defendants have engaged in and solicited for illicit "kick-back" arrangement on solicitor fees; and (ii) and order that the Company and Hastings engage in thorough investigations of related personnel on alleged corruptive behaviour.

The Company will contest Mr. Kim's First Legal Proceeding, Mr. Lim's First Legal Proceeding, Mr. Joung First Legal Proceeding, Mr. Kim's Second Legal Proceeding, Mr. Kim's Third Legal Proceedings, Mr. Joung's Second Legal Proceeding, Mr. Lee's First Legal Proceeding, Mr. Lim's Second Legal Proceeding, Mr. Lim's Third Legal Proceeding, Mr. Kim's Fourth Legal Proceeding, Mr. Kim's Fifth Legal Proceeding and Mr. Joung's Third Legal Proceeding, and is seeking legal advice in respect of the said legal proceedings.

#### Chi Dong Eun's Winding Up Petition

Reference is made to the Company's announcement dated on 6 January 2017. The Company has on 6 January 2017 received a petition (the "Petition") dated 3 January 2017 filed by Chi Dong Eun (the "Petitioner") against (i) the Company, (ii) the Directors and (iii) Mr. Yang, the then director of the Company as the respondents (collectively, the "Respondents").

### 11. 法律訴訟(續)

#### Joung Jon Hyun 第三項法律程序(續)

據 Joung 先生第三份傳訊令狀大致上聲稱，Joung 先生尋求(其中包括)(i)宣判該等被告就律師費從事及索求違法的「回佣」安排；及(ii)頒令本公司及希仕廷就涉嫌貪污行為的相關人士進行徹底調查。

本公司將對 Kim 先生首項法律程序、Lim 先生首項法律程序、Joung 先生首項法律程序、Kim 先生第二項法律程序、Kim 先生第三項法律程序、Joung 先生第二項法律程序、Lee 先生首項法律程序、Lim 先生第二項法律程序、Lim 先生第三項法律程序、Kim 先生第四項法律程序、Kim 先生第五項法律程序及 Joung 先生第三項法律程序提出抗辯，現正就上述法律程序諮詢法律意見。

#### Chi Dong Eun 之清盤呈請書

茲提述本公司日期為二零一七年一月六日之公佈。本公司於二零一七年一月六日收到 Chi Dong Eun (「呈請人」)對(i)本公司、(ii)董事及(iii)本公司當時的董事楊先生作為答辯人(統稱「該等答辯人」)所提出日期為二零一七年一月三日之呈請書(「呈請書」)。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Chi Dong Eun's Winding Up Petition (continued)

The Petitioner alleged, inter alia, that (i) the Respondents have deliberately evaded the mandatory general offer obligation of the Codes on Takeovers and Mergers and Share Buy-Back; (ii) Mr. Yang has engaged in massive illegal share pledge borrowing activities, without making proper and required disclosures; (iii) from the initial public offering of the Company, the accounting results of the Company have been falsified, unfairly prejudicial to independent shareholders to be misled; (iv) the Company has physically prevented several independent shareholders from participating in the voting in some extraordinary general meetings of the Company; and (v) the Directors and Mr. Yang have committed offences under section 25(1) of the Organized and Serious Crime Ordinance, which in the circumstances renders it just, equitable and desirable to wind up the Company. The hearing of Petition was scheduled to be heard on 5 April 2017.

The Court on 23 May 2017 ordered that the Petition be dismissed with costs.

#### Lim Hang Young's Winding Up Petition

Reference is made to the Company's announcement dated on 13 June 2017 and 16 June 2017. The Company has on 9 June 2017 received a petition (the "Petition") dated on 6 June 2017 filed by Mr. Lim Hang Young (the "Petitioner") against (i) the Company and (ii) Yang's Holdings Capital Limited (the "2nd Respondent") as respondents (collectively, the "Respondents").

### 11. 法律訴訟(續)

#### Chi Dong Eun之清盤呈請書(續)

呈請人指稱(其中包括)(i)該等答辯人故意逃避《公司收購、合併及股份回購守則》項下的強制性全面收購建議的責任；(ii)楊先生在未作出適當及必要披露的情況下已進行大量非法股份質押借貸活動；(iii)自本公司首次公開發售起，本公司的會計業績已經被篡改，不當地損害獨立股東的權益並對其產生誤導；(iv)本公司已阻礙多名獨立股東參與本公司若干股東特別大會的表決；及(v)該等董事及楊先生已觸犯有組織及嚴重罪行條例第25(1)條項下罪行，在此情況下將本公司清盤屬公平、衡平及合宜做法。呈請書排期於二零一七年四月五日聆訊。

法院於二零一七年五月二十三日頒令駁回呈請書並須支付費用。

#### Lim Hang Young的清盤呈請書

茲提述本公司日期為二零一七年六月十三日及二零一七年六月十六日之公佈。於二零一七年六月九日，本公司接獲Lim Hang Young先生(「呈請人」)於二零一七年六月六日針對答辯人(i)本公司及(ii)Yang's Holdings Capital Limited(「第二答辯人」)(統稱「答辯人」)提出之呈請書(「呈請書」)。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Lim Hang Young's Winding Up Petition (continued)

The Petitioner alleged, inter alia, that (i) the 2nd Respondent had lend out its business to the Company and was warehousing the shares for the real owner of the shell; (ii) the 2nd Respondent has engaged in many share pledge borrowing activities; and (iii) the acquisitions of Red 5 Studios, Inc. was a deceit; and (iv) the affairs of the Company have been mismanaged, which in the circumstances render it just and equitable and desirable in the interest of the Company's shareholders and/or general investing public to wind up the Company.

The Petition was taken out in the Court of First Instance, High Court, Hong Kong Special Administrative Region against the Respondents. The call over of the Petition has been fixed to be heard on 6th September 2017 at 9:30 a.m. According to Section 182 of the Companies Ordinance (Cap. 622, Laws of Hong Kong), the effect of the Petition, unless and until it is dismissed or a validation order is sought, is that any disposition of the property of the Company, including things in action, and any transfer of shares, or alteration in the status of the members of the Company, made after the commencement of the winding up, shall unless the court otherwise orders, be void.

The position of the Company towards the Petition is that the facts stated in the Petition are not true and that the Petition will be strenuously opposed, including making an application to dismiss/strike out the Petition.

### 11. 法律訴訟(續)

#### Lim Hang Young 的清盤呈請書(續)

呈請人指稱(其中包括)(i)第二答辯人曾向本公司借出其業務,並為空殼公司實際擁有人代持股份;(ii)第二答辯人曾參與多項股份質押借貸活動;(iii)收購 Red 5 Studios, Inc. 為欺詐行為;及(iv)本公司事務管理不善,在此情況下將本公司清盤屬公平、衡平及合宜做法,亦符合本公司股東及/或普羅投資大眾之利益。

呈請書已入稟香港特別行政區高等法院原訟法庭針對答辯人提出。呈請書之指示聆訊訂於二零一七年九月六日上午九時三十分舉行。根據香港法例第622章《公司條例》第182條,除非及直至被駁回或獲頒認可令,否則呈請書將導致清盤開始後就本公司財產(包括據法權產)作出之任何產權處置以及任何股份轉讓或本公司成員地位之任何變更屬無效,惟法院另有命令則作別論。

針對呈請書,本公司之立場是呈請書所述事實並不正確,並將就呈請書提出強烈反對,包括申請駁回/撤銷呈請書。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 11. LEGAL PROCEEDING (CONTINUED)

#### Lim Hang Young's Winding Up Petition (continued)

The Company applied for a validation order and also make an application to dismiss/strikeout in due course. At the Hearing held on 13 July 2017, a Validation Order was granted by the Court in the terms as follows: (i) unless otherwise ordered by the court, any payment or other disposition of property made on or after 6 June 2017 in the ordinary course of the business of the Company shall not be void; (ii) the payments made into or out of the two bank accounts of the Company in respect of expenses occurred in the ordinary course of business shall be sanctioned; (iii) the payment of reasonable legal expenses incurred by the Company in various legal proceedings shall not be void; (iv) any transfer of the Company's shares on or after 6 June 2017 shall not be void.

### 11. 法律訴訟(續)

#### Lim Hang Young 的清盤呈請書(續)

本公司已申請認可令，並於適當時候就駁回／撤銷呈請書提出申請。於二零一七年七月十三日進行之聆訊上，法院已頒授認可令，有關條款如下：(i) 除非法院另行頒令，否則不得取消於二零一七年六月六日或之後於本公司日常業務過程中作出之任何付款或其他產權處置；(ii) 批准就於日常業務過程中所產生開支轉入本公司兩個銀行賬戶或自該等賬戶轉出之付款；(iii) 不得取消本公司就多項法律程序所產生合理法律費用付款；(iv) 不得取消於二零一七年六月六日或之後辦理之任何本公司股份轉讓。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 12. EVENTS AFTER THE REPORTING PERIOD

#### Acquisition of entire equity interest of Profit Spread Investments Limited (the "Target Company")

On 27 July 2017 (after trading hours of the Stock Exchange), Able Rich Management Limited (the "Purchaser"), an indirect wholly-owned subsidiary of the Company, entered into the Agreement with an Independent Third Party (the "Vendor"), pursuant to which the Purchaser conditionally agreed to purchase and the Vendor conditionally agreed to sell (a) the Sale Share, being 1 share in the Target to be transferred by the Vendor to the Purchaser, representing the entire issue share capital of the Target Company; and (ii) the Sale Loan, being all the obligations, liabilities and debts owing or incurred by the Target Company to the Vendor (whether actual, contingent or deferred) at the Completion Date. As at the Agreement Date, the Target Company was indebted to the Vendor in the amount of approximately HK\$1,500,000, for total cash consideration of HK\$30,300,000. Upon Completion of the Acquisition, the Target Company will become a wholly-owned subsidiary of the Company and the financial results of the Target Company will be consolidated into the financial statements of the Group. Please refer to the announcement of the Company dated 27 July 2017 for further details.

### 12. 報告期後事項

收購顯潤投資有限公司(「目標公司」)的全部股權

於二零一七年七月二十七日(聯交所交易時段後), Able Rich Management Limited(「買方」, 本公司的間接全資附屬公司)與一名獨立第三方(「賣方」)訂立該協議, 據此, 買方有條件同意購買而賣方有條件同意出售(a)銷售股份, 即賣方將向買方轉讓的1股目標公司股份(即目標公司全部已發行股本); 及(b)銷售貸款, 即於完成日期目標公司結欠賣方或其所產生的一切義務、責任及債務(不論屬實際、或然或遞延性質)。於協議日期, 目標公司結欠賣方約1,500,000港元債務, 總現金代價為30,300,000港元。收購事項完成後, 目標公司將成為本公司的全資附屬公司, 且目標公司的財務業績將綜合併入本集團的財務報表。進一步詳情, 請參閱本公司日期為二零一七年七月二十七日的公佈。

# Notes to the Condensed Consolidated Financial Statements

## 簡明綜合財務報表附註

For the three months ended 30 June 2017 截至二零一七年六月三十日止三個月

### 12. EVENTS AFTER THE REPORTING PERIOD (CONTINUED)

#### Disposal of a subsidiary

On 8 August 2017 (after trading hours of the Stock Exchange), Winsky management Limited (the "Vendor"), an indirect wholly-owned subsidiary of the Company, entered into the Agreement with the Purchasers, pursuant to which the Vendor has agreed to sell and the Purchasers have agreed to acquire (i) Sale Equities, being 100% equity interest in Hui Jia Knitters (Huizhou) Limited (the "Target Company"), a wholly-owned subsidiary of the Vendor Company and (ii) the Sale Loan, at a total cash consideration of RMB41,000,000 subject to adjustment on the sale proceeds from the Assets Disposal which in any event shall not exceed RMB3,000,000. Upon Completion of the Disposal, the Target Company will cease to be a subsidiary of the Company.

### 12. 報告期後事項(續)

#### 出售附屬公司

於二零一七年八月七日(聯交所交易時段後),本公司間接全資附屬公司Winsky Management Limited(「賣方」)與買方訂立協議,據此,賣方同意出售而買方同意購入(i)銷售股權,即賣方之全資附屬公司惠州市惠嘉織造有限公司(「目標公司」)的100%股權及(ii)銷售貸款,現金總代價人民幣41,000,000元,須待就資產出售事項的銷售收益作出調整,惟無論如何不得超過人民幣3,000,000元。於出售事項完成後,目標公司將不再為本公司之附屬公司。

# Management Discussion and Analysis

## 管理層討論及分析

### BUSINESS REVIEW

The Group principally derives its revenue from manufacturing and selling Pure Cashmere Apparel and Other Apparel products under its two business arms: (i) OEM business segment, which entails product design and development, raw material sourcing and procurement, manufacturing and product quality control management (the "OEM Business"); (ii) apparel retail business segment, which entails designing, procuring, manufacturing, marketing and retailing of Pure Cashmere Apparel and Other Apparel products as well as accessories through an established retail network in Hong Kong under the Group's proprietary trademarks, "Casimira" and "Les Ailes" (the "Retail Business"); and (iii) Money Lending business segment.

For the OEM Business, the Company noted a tough retail environment globally and experienced an unexpected weakened consumer sentiment. Shopping trends in the United States of America ("US") have begun to shift from major branded apparels to large affordable fashion retailers, and spending patterns have begun to shift towards a higher willingness to spend on electronics products instead. As a result, major apparel brands in the US are experiencing this pressure, resulting in a wave of cost cutting, store closures and clearance sales of their products this quarter. This trend is particularly evident for mid-market brands which find it difficult to charge excessive premium for their products or lower their costs sufficiently to compete with the larger fashion retailers. Unfortunately, our products rely on the performance of these mid-market retailers in the US and their poor performance has negatively impacted us in this quarter. While we do not foresee the disappearance of this market segment, we do expect reduced sales from them, as well as higher demand from them for cost control and lower priced products. Based on our long term experience in this industry, we believe this is part of the cyclical nature of the fashion industry.

### 業務回顧

本集團的收益主要源自於其兩個業務部門下製造及銷售純羊絨服裝及其他服裝產品：(i) 原設備製造業務分部，負責產品設計及開發、原材料採購、製造及產品質量控制管理（「原設備製造業務」）；(ii) 服裝零售業務分部，透過於香港的成熟零售網絡以本集團的專屬商標「Casimira」及「Les Ailes」負責設計、採購、製造、市場推廣及零售純羊絨服裝以及其他服裝產品及配飾（「零售業務」）；及(iii) 放債業務分部。

原設備製造業務方面，本公司注意到全球零售環境嚴峻及消費意欲出乎意料疲弱。美利堅合眾國（「美國」）的購物趨勢已開始由各大品牌服裝轉移至價格實惠的大型時裝零售商，而消費模式亦開始轉移至傾向電子產品消費。因此，美國各大服裝品牌正面對此壓力，導致於本季度紛紛削減成本、關閉店舖及清貨促銷產品。此趨勢在「中檔」市場品牌尤其顯著，原因為該等品牌難以就其產品收取過高溢價或大幅降低其成本以與更大型時裝零售商競爭。然而，我們的產品依賴該等美國「中檔」市場品牌零售商的表現，而零售商表現欠佳已於本季度對我們構成負面影響。儘管我們並不認為該市場分部將會消失，但預期該市場分部的銷售將會減少，且對成本控制及低價產品的需求會更高。基於我們在該行業的悠久經驗，我們相信此乃時裝業的週期循環的一部分。



# Management Discussion and Analysis

## 管理層討論及分析

For the Retail Business, the decline of revenue is mainly attributable to the weak consumer market prolonged by the sluggish economy, low level of consumer sentiment and the rather unpleasant shopping atmosphere in Hong Kong. These factors have caused the number of Chinese tourists in Hong Kong to decline.

For the Money Lending Business, it has generated interest income of approximately HK\$2.5 million for the three months ended 30 June 2017 to the Group.

### PROSPECTS

The management discovered that the cost of the cashmere products manufactured by ourselves, which carries out the entire production process including knitting, linking, trimming, washing, ironing and packaging of the Group's cashmere products, is much higher than our competing OEM manufacturers.

In view of this, the management has evaluated the existing operation model and considered other alternatives to improve the business. The Board noticed that the cost of manufacturing is very high in the PRC, which includes labour and employment related cost, compliance with the environmental laws, maintenance of equipment and other fixed costs, etc. Thus, the Group is unable to lower the price of the cashmere products to maintain its competitiveness.

Based on the above findings, the management intends to change its operation model by placing orders with other OEM manufacturers, which would substantially reduce the costs of operation and improve the profit margins of the OEM business. Given that the management will maintain the procurement and quality control teams, it can maintain and ensure the high quality of the cashmere products.

零售業務方面，收益下跌主要由於香港經濟低迷、導致消費市場長時間疲弱，加上消費者消費意欲積弱及購物氣氛欠佳，繼而令訪港中國旅客數目下降。

就放債業務而言，其於截至二零一七年六月三十日止三個月已為本集團產生利息收入約2.5百萬港元。

### 前景

管理層發現我們自行生產羊絨產品(即負責整個生產程序，包括編織、合縫、修剪、洗滌、燙熨及包裝本集團的羊絨產品)的成本顯著高於與其競爭的原設備製造商。

有鑑於此，管理層已評估其現有營運模式，並考慮其他可行方法以改善其業務。董事會注意到，於中國的生產成本十分高昂，有關成本包括勞工及僱傭相關成本，並須遵守環境法律、保養設備以及承擔其他固定成本等。因此，本集團無法就保持競爭力而調低羊絨產品的價格。

基於上述發現，管理層擬改變其營運模式，向其他原設備製造商下達訂單，此舉將可大幅降低其營運成本並提高原設備製造業務的利潤率。鑑於管理層將繼續保留採購及質量控制團隊，其可維持並確保羊絨產品具有優越品質。

# Management Discussion and Analysis

## 管理層討論及分析

For the Retail Business, we will closely monitor about the consumer's behaviour and we will continue our promotion campaign. We are also monitoring the movement of the rental of retail outlets and will adjust our expansion plan for Retail Business if necessary. Despite the uncertainties, we are still remain positive towards our Retail Business.

We are optimistic with the Money Lending Business as there is a growing demand in the money lending industry in Hong Kong. In the view of extending the scope of the Group's existing business, diversifying its business scope and broaden the Group's revenue basis to enhance its profitability and achieve better return of shareholders.

Furthermore, we are also looking for new investment opportunities, especially retail market in Mainland China and Hong Kong.

### FINANCIAL REVIEW

#### Revenue

The Group's revenue dropped from approximately HK\$21.6 million for the three months ended 30 June 2016 to approximately HK\$4.4 million for the three months ended 30 June 2017, representing a decrease of approximately 79.6%. The revenue of OEM Business decreased by approximately 100% to nil for the three months ended 30 June 2017 as compared to the three months ended 30 June 2016. On the other hand, the revenue from Retail Business decreased by approximately 32.6% to approximately HK\$1.9 million for the three months ended 30 June 2017 as compared to the three months ended 30 June 2016.

零售業務方面，我們將密切監察客戶行為，並繼續進行推廣活動。我們亦將監控零售店舖的租金走勢，並在有需要時調整零售業務的擴充計劃。儘管存在不明朗因素，我們仍對零售業務保持樂觀態度。

我們對放債業務持樂觀態度，原因在於香港放債業需求日益增長。就擴大本集團現有業務範疇而言，多元化發展本集團業務範疇及擴闊本集團收益基礎可提升其盈利能力及為股東爭取更佳回報。

此外，我們亦正物色新投資機會，尤其著重中國內地及香港零售市場。

#### 財務回顧

##### 收益

本集團的收益由截至二零一六年六月三十日止三個月約21.6百萬港元，下跌約79.6%至截至二零一七年六月三十日止三個月約4.4百萬港元。截至二零一七年六月三十日止三個月，原設備製造業務的收益較截至二零一六年六月三十日止三個月減少約100%至零。另一方面，截至二零一七年六月三十日止三個月，零售業務的收益較截至二零一六年六月三十日止三個月減少約32.6%至約1.9百萬港元。

# Management Discussion and Analysis

## 管理層討論及分析

For the Money Lending Business, the Group obtained the money lender license and commenced business in June 2016, it has generated interest income of approximately HK\$2.5 million for the three months ended 30 June 2017.

The following table sets forth the breakdowns of the revenue of the Group by segment for each of the three months ended 30 June 2016 and 30 June 2017.

就放債業務而言，由於本集團已取得放債人牌照並已於二零一六年六月起開展業務，其已於截至二零一七年六月三十日止三個月產生利息收入約2.5百萬港元。

下表載列本集團截至二零一六年六月三十日及二零一七年六月三十日止三個月各個期間按分部劃分的收益明細。

		Three months ended 30 June 截至六月三十日止三個月			
		2017 二零一七年		2016 二零一六年	
		HK\$'000 千港元	% 百分比	HK\$'000 千港元	% 百分比
OEM Business	原設備製造業務	–	–	18,763	87.0%
Retail Business	零售業務	1,896	42.6%	2,813	13.0%
Money Lending business	放債業務	2,548	57.3%	–	0.0%
		<b>4,444</b>	<b>100%</b>	21,576	100.0%

### Cost of Sales and Gross Profit

The majority of the Group's cost of sale was raw material costs. The Group's cost of sales dropped by 84.4% to approximately HK\$3.0 million for the three months ended 30 June 2017 as compared to the three months ended 30 June 2016. The gross profit margin increased from approximately 10.3% for the three months ended 30 June 2016 to approximately 32.2% for the three months ended 30 June 2017. The gross profit decreased by approximately 35.8% to approximately HK\$1.4 million for the three months ended 30 June 2017 as compared to the three months ended 30 June 2016.

### 銷售成本及毛利

本集團的銷售成本大部分為原材料成本。截至二零一七年六月三十日止三個月，本集團的銷售成本較截至二零一六年六月三十日止三個月下降84.4%至約3.0百萬港元。毛利率由截至二零一六年六月三十日止三個月約10.3%增長至截至二零一七年六月三十日止三個月約32.2%。截至二零一七年六月三十日止三個月，毛利較截至二零一六年六月三十日止三個月減少約35.8%至約1.4百萬港元。

# Management Discussion and Analysis

## 管理層討論及分析

### Expenses

Selling and administrative expenses for the three months ended 30 June 2017 was approximately HK\$76 million (three months ended 30 June 2016: approximately HK\$14.1 million), representing a slight decrease of approximately HK\$6.5 million.

### 開支

截至二零一七年六月三十日止三個月，銷售及行政開支約為76百萬港元（截至二零一六年六月三十日止三個月：約14.1百萬港元），輕微減少約6.5百萬港元。

### Loss for the period

The loss for the three months ended 30 June 2017 was approximately HK\$10.4 million as compared to the loss for the three months ended 30 June 2016 was approximately HK\$14.6 million.

### 期內虧損

截至二零一七年六月三十日止三個月錄得虧損約10.4百萬港元，而截至二零一六年六月三十日止三個月則錄得虧損約14.6百萬港元。

## Other Information

### 其他資料

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

As at 30 June 2017, none of the Directors and chief executive of the Company had any interests or short position in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO (i) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions which they are taken or deemed to have under such provisions of the SFO), or (ii) as required to be recorded in the register required to be kept by the Company pursuant to Sections 352 of the SFO, or (iii) as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by directors of listed issuers as referred to in Rule 5.46 of the GEM Listing Rules.

#### **董事及主要行政人員於本公司或任何相聯法團的股份、相關股份及債權證中的權益及淡倉**

於二零一七年六月三十日，概無董事及本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）任何股份、相關股份或債權證中擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的任何權益或淡倉（包括根據證券及期貨條例有關條文被當作或視為擁有的權益及／或淡倉），或(ii)根據證券及期貨條例第352條須列入本公司所須存置登記冊的任何權益或淡倉，或(iii)根據創業板上市規則第5.46條有關上市發行人董事進行交易規定標準而須知會本公司及聯交所的任何權益或淡倉。

## Other Information

### 其他資料

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

As at 30 June 2017, the following persons (other than a Directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept under section 336 of the SFO:

#### **主要股東及其他人士於本公司股份及相關股份中的權益及淡倉**

於二零一七年六月三十日，以下人士（董事或本公司主要行政人員除外）於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露，或須列入根據證券及期貨條例第336條所須存置登記冊的權益或淡倉如下：

#### Ordinary Shares of the Company

#### 本公司普通股

Name of Shareholder	Capacity/Nature of Interests	Number of Underlying Shares <sup>(1)</sup>	Percentage of the Company's issue share capital as at 31 March 2016 於二零一六年三月三十一日 佔本公司已發行股本百分比
股東姓名／名稱	身份／權益性質	相關股份數目 <sup>(1)</sup>	
Lau Lan Ying 劉蘭英	Interest in a controlled corporation 於受控法團的權益	6,446,296,000	25.18%
Wong Kwan Mo 黃君武	Interest in a controlled corporation 於受控法團的權益	6,446,296,000	25.18%
Strong Light Investments Ltd 昌亮投資有限公司	Beneficial owner 實益擁有人	5,993,880,000	23.41%
Ge Qingfu 葛慶福	Beneficial owner 實益擁有人	2,565,324,000	10.02%

Notes:

附註：

(1) All interests stated are long positions.

(1) 所示全部權益均為好倉。

## Other Information

### 其他資料

Save as disclosed above, as at 30 June 2017, the Company has not been notified by any person (other than the Directors or the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO or were required to be recorded in the register required to be kept by the Company under section 336 of the SFO.

### **CORPORATE GOVERNANCE PRACTICES**

During the three months ended 30 June 2017, the Company had complied with the required code provisions set out in the Corporate Governance Code and Corporate Governance Report as contained in Appendix 15 of the GEM Listing Rules and there has been no deviation in relation thereto.

### **COMPLIANCE WITH THE REQUIRED STANDARD OF DEALINGS IN SECURITIES TRANSACTIONS BY DIRECTORS**

The Group adopted the required standards of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors' securities transactions in securities of the Company.

To the best of the Directors' knowledge, information and belief, the Group has fully complied with the required standard of dealings and there was no event of non-compliance during the three months ended 30 June 2017 and up to the date of this report.

除上文所披露者外，於二零一七年六月三十日，本公司並無得悉任何人士（董事或本公司主要行政人員除外）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益或淡倉，或須列入根據證券及期貨條例第336條所須存置登記冊的權益或淡倉。

### **企業管治常規**

截至二零一七年六月三十日止三個月，本公司已遵守創業板上市規則附錄15所載企業管治守則及企業管治報告規定的守則條文，並無出現偏離情況。

### **遵守董事進行證券交易規定標準的情況**

本集團已採納創業板上市規則第5.48至第5.67條所載交易規定標準，作為有關董事進行涉及本公司證券的證券交易的行為守則。

據董事所知、所悉及所信，於截至二零一七年六月三十日止三個月及直至本報告日期，本集團已全面遵守交易規定標準，且概無任何違規情況。

## Other Information

### 其他資料

#### **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 three months ended 30 June 2017.

#### **COMPETING INTERESTS**

The Directors confirm that none of the controlling shareholders or Directors and their respective close associates (as defined in the GEM Listing Rules) is interested in any business apart from the business operated by the Group which competes or is likely to compete, directly or indirectly, with the Group's business.

#### **AUDIT COMMITTEE**

The Company has established the Audit Committee with terms in compliance with the Code as set out in Appendix 15 to the GEM Listing Rules. The duties of the Audit Committee are to primary review financial statements of the Company and oversee internal control procedures of the Company.

The Audit Committee consists of 3 independent non-executive Directors, namely Mr. Ng Kai Shing, Mr. Li Kin Ping and Mr. Ma Chi Ming, Mr. Ng Kai Shing is the chairman of the Audit Committee.

The Audit Committee has reviewed the accounting principles and policies adopted by the Group and the unaudited condensed consolidated financial statements of the Group for the three months ended 30 June 2017.

#### **購買、出售或贖回本公司上市證券**

截至二零一七年六月三十日止三個月，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

#### **競爭權益**

董事確認，概無控股股東或董事及彼等各自的緊密聯繫人(定義見創業板上市規則)於對本集團業務直接或間接構成競爭或可能構成競爭的任何業務(本集團經營的業務除外)中擁有權益。

#### **審核委員會**

本公司已成立審核委員會，並已採納符合創業板上市規則附錄15所載守則的職權範圍。審核委員會的職責主要為審閱本公司的財務報表及監管本公司的內部監控程序。

審核委員會包括三名獨立非執行董事，即吳啟誠先生、李健平先生及馬志明先生。吳啟誠先生為審核委員會主席。

審核委員會已審閱本集團採納的會計原則及政策以及本集團截至二零一七年六月三十日止三個月的未經審核簡明綜合財務報表。



## Other Information

### 其他資料

#### CHANGE OF DIRECTORS AND COMPANY SECRETARY

1. Mr. Li Kin Ping was appointed as an independent non-executive Director, chairman of the Remuneration Committee and the Nomination Committee, and a member of the Audit Committee of the Company with effect from 20 April 2017.
2. Mr. Kwong Lun Kei Victor was resigned as an independent non-executive Director, chairman of the Remuneration Committee and the Nomination Committee, and a member of the Audit Committee of the Company with effect from 20 April 2017.

By Order of the Board

**L & A INTERNATIONAL HOLDINGS LIMITED**

**Ng Ka Ho**

*Chairman and Executive Director*

Hong Kong, 14 August 2017

*As at the date of this report, the executive Director is Mr. Ng Ka Ho; the independent non-executive Directors are Mr. Ng Kai Shing, Mr. Li Kin Ping and Mr. Ma Chi Ming.*

#### 更換董事及公司秘書

1. 李健平先生已獲委任為本公司獨立非執行董事、薪酬委員會及提名委員會主席以及審核委員會成員，自二零一七年四月二十日起生效。
2. 鄺麟基先生已辭任本公司獨立非執行董事、薪酬委員會及提名委員會主席以及審核委員會成員，自二零一七年四月二十日起生效。

承董事會命

樂亞國際控股有限公司

吳家豪

主席兼執行董事

香港，二零一七年八月十四日

於本報告日期，執行董事為吳家豪先生；獨立非執行董事為吳啟誠先生、李健平先生及馬志明先生。

