New Century Group Hong Kong Limited

新世紀集團香港有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 234)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

The board of directors (the "Board") of New Century Group Hong Kong Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2016, which are prepared in accordance with the basis set out in note 1 below. The condensed consolidated financial statements have not been audited, but have been reviewed by the Company's external auditors in accordance with certain review procedures and the audit committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2016

	Note	**Six months ended 30 September 2016 (Unaudited)** ***HK$'000***	Six months ended 30 September 2015 (Unaudited) *HK$'000*
REVENUE	4	**93,649**	(40,569)
Cost of services provided		**(12,163)**	(6,158)
Gross profit/(loss)		**81,486**	(46,727)
Other income		**484**	1,541
Administrative expenses		**(12,528)**	(14,639)
Foreign exchange differences, net		**(185)**	(8,657)
Fair value gains on investment properties, net		**3,940**	12,490
Revaluation surplus on cruise ships		**2,357**	3,038
Finance costs		**(514)**	(444)
Loss on dissolution of a subsidiary		**(242)**	–

* *For identification purpose only*

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS (continued)

For the six months ended 30 September 2016

	Notes	**Six months ended 30 September 2016 (Unaudited)** ***HK$'000***	Six months ended 30 September 2015 (Unaudited) *HK$'000*
PROFIT/(LOSS) BEFORE TAX	5	**74,798**	(53,398)
Income tax expense	6	**(388)**	(405)
PROFIT/(LOSS) FOR THE PERIOD		**74,410**	(53,803)
Attributable to:			
Owners of the Company		**52,020**	(48,685)
Non-controlling interests		**22,390**	(5,118)
		74,410	(53,803)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	7		
Basic		**HK0.90 cent**	(HK0.84 cent)
Diluted		**HK0.90 cent**	(HK0.84 cent)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2016

	Six months ended 30 September 2016 (Unaudited) *HK$'000*	Six months ended 30 September 2015 (Unaudited) *HK$'000*
PROFIT/(LOSS) FOR THE PERIOD	**74,410**	(53,803)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:		
Release of exchange translation reserve upon dissolution of a subsidiary	**242**	–
Exchange differences on translation of foreign operations	**(4,498)**	(6,682)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		
Surplus on revaluation of a cruise ship	**4,474**	–
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**218**	(6,682)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	**74,628**	(60,485)
Attributable to:		
Owners of the Company	**51,593**	(54,375)
Non-controlling interests	**23,035**	(6,110)
	74,628	(60,485)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2016

	Notes	**30 September 2016 (Unaudited)** ***HK$'000***	31 March 2016 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**281,702**	290,738
Investment properties		**630,780**	628,425
Available-for-sale investment		**780**	780
Total non-current assets		**913,262**	919,943
CURRENT ASSETS			
Trade receivables, prepayments, deposits and other receivables	8	**18,846**	68,618
Equity investments at fair value through profit or loss		**396,288**	384,217
Tax recoverable		**2,773**	2,836
Cash and cash equivalents		**398,927**	298,219
Total current assets		**816,834**	753,890
CURRENT LIABILITIES			
Derivative financial instruments		**447**	1,448
Interest-bearing bank borrowings		**2,630**	3,665
Accruals, other payables and deposits received	9	**24,103**	40,349
Total current liabilities		**27,180**	45,462
NET CURRENT ASSETS		**789,654**	708,428
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,702,916**	1,628,371

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

30 September 2016

	Note	**30 September 2016 (Unaudited)** ***HK$'000***	31 March 2016 (Audited) *HK$'000*
NON-CURRENT LIABILITIES			
Interest-bearing bank borrowings		**22,094**	22,874
Loan advanced from a non-controlling shareholder of the Group's subsidiary		**171,823**	171,823
Deposits received	9	**3,771**	3,415
Deferred tax liabilities		**2,811**	2,470
Total non-current liabilities		**200,499**	200,582
Net assets		**1,502,417**	1,427,789
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**14,451**	14,451
Reserves		**1,437,310**	1,385,717
		1,451,761	1,400,168
Non-controlling interests		**50,656**	27,621
Total equity		**1,502,417**	1,427,789

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 September 2016

1. BASIS OF PREPARATION

The interim condensed consolidated financial statements are unaudited and have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2016.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 31 March 2016, except as described below. In the current period, the Group has applied, for the first time, the following revised Hong Kong Financial Reporting Standards ("HKFRSs", which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA which are effective for the Group's financial years beginning on or after 1 April 2016.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	*Investment Entities: Applying the Consolidation Exception*
Amendments to HKFRS 11	*Accounting for Acquisitions of Interests in Joint Operations*
Amendments to HKAS 1	*Disclosure Initiative*
Amendments to HKAS 16 and HKAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation*
Amendments to HKAS 16 and HKAS 41	*Agriculture: Bearer Plants*
Amendments to HKAS 27 (2011)	*Equity Method in Separate Financial Statements*
Annual Improvements 2012-2014 Cycle	Amendments to a number of HKFRSs

The adoption of these revised HKFRSs has had no financial effect on the financial statements.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their businesses and services and has three reportable operating segments as follows:

(a) the cruise ship charter services segment engages in the provision of chartering services of cruise ships;

(b) the property investments segment invests in prime office space and commercial shops for their rental income potential; and

(c) the securities trading segment engages in the trading of marketable securities for short-term investment purposes.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest income, finance costs, as well as head office and corporate expenses are excluded from such measurement.

There were no intersegment sales and transfers during the period (2015: Nil).

	Cruise ship charter services Six months ended 30 September		Property investments Six months ended 30 September		Securities trading Six months ended 30 September		Total Six months ended 30 September	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue	**53,699**	31,640	**10,270**	10,304	**29,680**	(82,513)	**93,649**	(40,569)
Segment results	**43,336**	27,771	**11,582**	17,880	**29,635**	(82,495)	**84,553**	(36,844)
Reconciliation:								
Interest income and unallocated gains							**455**	1,522
Corporate and other unallocated expenses							**(9,696)**	(17,632)
Finance costs							**(514)**	(444)
Profit/(loss) before tax							**74,798**	(53,398)

4. REVENUE

Revenue represents cruise ship charter service income, gross rental income from investment properties, fair value gains/losses on equity investments at fair value through profit or loss, fair value gains/losses on derivative financial instruments and dividend income during the period.

5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging:

	Six months ended 30 September 2016 (Unaudited) ***HK$'000***	Six months ended 30 September 2015 (Unaudited) *HK$'000*
Depreciation	**12,667**	6,641
Employee costs	**6,617**	6,569

6. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong. In the prior period, no provision for Hong Kong profits tax had been made as the Group had available tax losses brought forward from prior years to offset the assessable profits generated during the prior period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	Six months ended 30 September 2016 (Unaudited) ***HK$'000***	Six months ended 30 September 2015 (Unaudited) *HK$'000*
Current – Hong Kong		
Charge for the period	**70**	–
Current – Elsewhere		
Overprovision in prior years	**(23)**	–
Deferred	**341**	405
Total tax charge for the period	**388**	405

7. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amount is based on the profit/(loss) for the period attributable to ordinary equity holders of the Company, and the number of ordinary shares of 5,780,368,705 (2015: 5,780,368,705) in issue during the period.

No adjustment has been made to the basic earnings/(loss) per share amount presented for the six months ended 30 September 2016 and 30 September 2015 in respect of a dilution as the impact of the share options outstanding has an anti-dilutive effect on the basic earnings/(loss) per share amount presented.

The calculations of the basic and diluted earnings/(loss) per share are based on:

	Six months ended 30 September 2016 (Unaudited) *HK$'000*	Six months ended 30 September 2015 (Unaudited) *HK$'000*
Earnings/(loss)		
Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic earnings/(loss) per share calculation	**52,020**	(48,685)

	Six months ended 30 September 2016 (Unaudited)	Six months ended 30 September 2015 (Unaudited)
Shares		
Number of ordinary shares in issue during the period, used in the basic earnings/(loss) per share calculation	**5,780,368,705**	5,780,368,705

8. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group's billing terms with customers are mainly on credit. Invoices are normally payable within 30 days of issuance. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are regularly reviewed by senior management. The main type of collateral held by the Group as security is deposits received from tenants and charterers with an aggregate fair value of HK$21,289,000 (31 March 2016: HK$12,189,000). Except trade receivables of HK$4,172,000 are interest-bearing at fixed rates, the trade receivables are non-interest-bearing.

Below is an aged analysis of trade receivables, net of impairment, based on the invoice date, which is the date when the services are rendered.

	30 September 2016 (Unaudited) ***HK$'000***	31 March 2016 (Audited) *HK$'000*
Within 1 month	**13,509**	63,544
1 to 2 months	**3,995**	70
Trade receivables	**17,504**	63,614
Prepayments, deposits and other receivables	**1,342**	5,004
	18,846	68,618

Certain subsidiaries have pledged trade receivables of approximately HK$198,000 (31 March 2016: HK$464,000) to secure bank loans granted.

9. ACCRUALS, OTHER PAYABLES AND DEPOSITS RECEIVED

	30 September 2016 (Unaudited) ***HK$'000***	31 March 2016 (Audited) *HK$'000*
Accruals	**2,667**	1,859
Other payables and deposits received	**25,207**	41,905
	27,874	43,764
Less: Non-current deposits received	**(3,771)**	(3,415)
	24,103	40,349

The other payables are non-interest-bearing and are normally settled on 90-day terms.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2016 (2015: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Nine months into 2016, the global economy was still far from showing signs of reacceleration with persistent weakness in Europe and an economic slowdown in China, though global economic activity and world trade started to pick up. In face of economic uncertainty, the Group believes opportunities lie in the midst of difficulties. During the period under review, the Group turned loss into profit.

The Group continued to maintain a healthy financial position with a gearing ratio of 0.02. This enables the Group to lay a solid foundation and capture any appropriate investment opportunities that may arise. We are pleased to announce the Group's interim results and we will continue to create value-added returns for our shareholders.

Results

The Group turned loss into profit for the six months ended 30 September 2016 (the "Period"), with revenue of HK$93,649,000 (2015: negative revenue of HK$40,569,000). Such change in revenue was mainly attributed to net realized and unrealized fair value gains on equity investments at fair value through profit or loss of HK$15,214,000 (2015: net realized and unrealized fair value losses of HK$94,680,000) and charter service income of HK$26,515,000 from the newly acquired cruise ship "Aegean Paradise" which began to contribute income effective from February 2016. Together with the decrease in foreign exchange losses on cash and cash equivalents in Renminbi and Singapore dollar, profit attributable to owners of the Company was HK$52,020,000 (2015: loss of HK$48,685,000). Basic earnings per share amounted to HK0.9 cent (2015: loss of HK0.84 cent per share).

Operations

Cruise Ship Charter Services

Charter services of the three cruise ships, namely "Leisure World", "Amusement World" and "Aegean Paradise", recorded revenue of HK$53,699,000 for the Period (2015: HK$31,640,000). The increase in segment revenue was due to the charter service income from "Aegean Paradise". It was acquired on 3 November 2015 and has been chartered to an independent third party at a daily hire rate of S$28,000 received from February 2016 onwards. With the income contribution from "Aegean Paradise", the Group recorded a segment profit of HK$43,336,000 (2015: HK$27,771,000) for the Period.

Property Investments

During the Period, the property investments segment continued to generate stable income for the Group, with revenue of HK$10,270,000 (2015: HK$10,304,000). An increase of 3.7% in rental income to HK$9,710,000 (2015: HK$9,365,000) from investment properties in Hong Kong. However, rental income from Singapore properties slid 40.4% to HK$560,000 (2015: HK$939,000), caused by unfilled vacancy in certain retail units. In general, the investment properties achieved satisfactory occupancy rate of 95% (31 March 2016: 96%), while the average annual rental yield stood at 3.3% (31 March 2016: 3.2%).

As at 30 September 2016, fair value gains on investment properties decreased to HK$3,940,000 (2015: HK$12,490,000). There were fair value gains of HK$11,440,000 (2015: HK$8,490,000) on Singapore properties but fair value losses of HK$7,500,000 (2015: fair value gains of HK$4,000,000) recorded on Hong Kong properties. Profit from the property investments segment decreased from HK$17,880,000 last period to HK$11,582,000 this Period.

Securities Trading

The defensive global stock market environment has curbed the Hong Kong market with uncertainty surrounding the slowdown in Asia and post-Brexit impacts. During the Period, the Group remained prudent in all investment and business decisions, by keeping a portfolio of less volatile equities of blue chips in Hong Kong and Singapore, and recorded an increase in revenue to HK$29,680,000 (2015: negative revenue of HK$82,513,000). In order to minimize losses in the midst of stock fluctuations, the Group disposed of certain equities with unsatisfactory return during the Period, and recorded net realized losses on disposal of equity investments of HK$19,981,000 (2015: HK$5,610,000). Nevertheless, as at 30 September 2016, the Group recorded net unrealized gains on equity investments at fair value through profit or loss of HK$35,195,000 (2015: net unrealized losses of HK$89,070,000). For the Period, dividend income from equity investments at fair value through profit or loss was HK$13,465,000 (2015: HK$13,107,000). Fair value gains on derivative financial instruments were HK$1,001,000 (2015: fair value losses of HK$940,000). All in all, the Group recorded a profit of HK$29,635,000 (2015: loss of HK$82,495,000) in securities trading.

As at 30 September 2016, the Group's equity investments at fair value through profit or loss amounted to HK$396,288,000. There were no equity investments held by the Group which value was more than 5% of the net assets of the Group.

Name of stock listed on the stock exchange of Hong Kong (Stock Code)	**Number of shares held as at 30 September 2016**	**Percentage of shareholding held as at 30 September 2016**	**Investment cost as at 30 September 2016** *HK$'000*	**Market value as at 30 September 2016** *HK$'000*	**Percentage to net assets value of the Group as at 30 September 2016**
The Hong Kong and China Gas Company Limited (0003)	800,000	0.0063	11,620	11,712	0.78
Henderson Land Development Company Limited (0012)	48,000	0.0013	1,680	2,208	0.15
Sun Hung Kai Properties Limited (0016)	24,000	0.0008	1,969	2,810	0.19
Hong Kong Exchanges and Clearing Limited (0388)	95,960	0.0078	16,722	19,557	1.30
Li & Fung Limited (0494)	3,519,112	0.0418	25,675	13,971	0.93
China Construction Bank Corporation (0939)	8,877,600	0.0037	51,804	51,046	3.40
China Mobile Limited (0941)	270,564	0.0013	24,666	25,393	1.69
Industrial and Commercial Bank of China Limited (1398)	10,002,600	0.0115	47,476	48,513	3.23
Country Garden Holdings Company Limited (2007)	3,100,000	0.0140	8,745	12,679	0.84
Ping An Insurance (Group) Company of China, Ltd. (2318)	309,860	0.0042	10,808	12,456	0.83
Tracker Fund of Hong Kong (2800)	951,600	0.0284	20,316	22,838	1.52
Bank of China Limited (3988)	9,593,200	0.0115	35,965	33,960	2.26
Total for equity investments in Hong Kong			257,446	257,143	17.12

Name of stock listed on the stock exchange of Singapore (ISIN Code)	**Number of shares held as at 30 September 2016**	**Percentage of shareholding held as at 30 September 2016**	**Investment cost as at 30 September 2016** *(equivalent to) HK$'000*	**Market value as at 30 September 2016** *(equivalent to) HK$'000*	**Percentage to net assets value of the Group as at 30 September 2016**
DBS Group Holdings Ltd (SG1L01001701)	300,000	0.0118	28,497	26,224	1.75
Hutchison Port Holdings Trust (SG2D00968206)	1,000,000	0.0115	3,277	3,465	0.23
Oversea-Chinese Banking Corporation Limited (SG1S04926220)	300,000	0.0072	16,044	14,740	0.98
Singapore Exchange Limited (SG1J26887955)	1,400,000	0.1307	57,333	58,924	3.92
Suntec Real Estate Investment Trust (SG1Q52922370)	600,000	0.0237	6,195	5,845	0.39
United Overseas Bank Limited (SG1M31001969)	280,000	0.0171	29,853	29,947	1.99
Total for equity investments in Singapore			141,199	139,145	9.26
Grand total for equity investments at fair value through profit or loss			398,645	396,288	26.38

Information on the performance of the Group's equity investments for the six months ended 30 September 2016 was as below:

	Realized losses on disposal of for the six months ended 30 September 2016 *HK$'000*	**Unrealized fair value gains for the six months ended 30 September 2016** *HK$'000*	**Dividend received for the six months ended 30 September 2016** *HK$'000*
Stocks listed on the stock exchange of Hong Kong	(8,215)	31,144	9,319
Stocks listed on the stock exchange of Singapore	(11,766)	4,051	4,146
Total	(19,981)	35,195	13,465

Contingent Liabilities

As at 30 September 2016, the Company had outstanding guarantees of HK$195,410,000 (31 March 2016: HK$205,600,000) given to banks to secure general credit facilities for certain subsidiaries. Credit facilities in an aggregate amount of HK$24,724,000 (31 March 2016: HK$26,539,000) had been utilized by the subsidiaries from such guarantees at the end of the reporting period.

Charge on the Group's Assets

As at 30 September 2016, some of the Group's land and building and investment properties with an aggregate value of HK$420,637,000 (31 March 2016: HK$495,798,000), trade receivables (rental) with a carrying amount of HK$198,000 (31 March 2016: HK$464,000) and equity investments with a carrying value of HK$396,288,000 (31 March 2016: HK$384,217,000) were pledged to banks and securities dealers for loan facilities worth HK$335,015,000 (31 March 2016: HK$343,251,000) granted to the Group. As at 30 September 2016, HK$24,724,000 (31 March 2016: HK$26,539,000) of the loan facilities had been utilized by the Group.

Liquidity and Financial Resources

As at 30 September 2016, the Group had net current assets of HK$789,654,000 (31 March 2016: HK$708,428,000) and equity attributable to owners of the Company worth HK$1,451,761,000 (31 March 2016: HK$1,400,168,000).

The Group's total indebtedness (representing the aggregate amount of interest-bearing loans from banks) was HK$24,724,000 (31 March 2016: HK$26,539,000). All loans were denominated in Hong Kong dollar and Singapore dollar and charged at floating interest rates. They were secured by mortgages over some of the Group's investment properties with an aggregate carrying value of HK$327,480,000 (31 March 2016: HK$402,825,000) and assignment of some of the Group's trade receivables (rental) with a carrying amount of HK$198,000 (31 March 2016: HK$464,000).

Regarding total indebtedness, HK$2,630,000 (31 March 2016: HK$3,665,000) will be repayable within one year or on demand, HK$3,490,000 (31 March 2016: HK$3,078,000) will be repayable from the second to fifth year and the remaining balance of HK$18,604,000 (31 March 2016: HK$19,796,000) will be repayable after five years.

The Group's gearing ratio (total indebtedness divided by equity attributable to owners of the Company) at the end of the reporting period remained as 0.02 (31 March 2016: 0.02).

Exposure to Equity Prices, Foreign Exchange and Interest Rate Risks

The Group is exposed to risks arising from individual equity investments classified as trading equity investments. The Group's investments are listed on the stock exchanges of Hong Kong and Singapore and are valued at quoted market prices at the end of the reporting period.

At the end of the reporting period, the Group's cash and cash equivalents are held predominately in Hong Kong dollar, Singapore dollar and United States dollar. The Group's borrowings are denominated in Hong Kong dollar and Singapore dollar at floating interest rates. The Group's exposure to the risk of changes in interest rates relates primarily to its long-term debt obligations with floating interest rates. In the opinion of the directors, the Group has no significant interest rate risk. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Human Resources

As at 30 September 2016, the Group had a total of 23 staff in Hong Kong. Remuneration packages for employees and directors are structured according to market terms as well as individual performance and experience. Benefits plans maintained by the Group include mandatory provident fund scheme, medical insurance, share option scheme and discretionary bonuses. As at 30 September 2016, the Group had 386,640,000 outstanding share options granted to eligible executives and employees of the Group.

Prospects

The Group believes that the newly acquired cruise ship "Aegean Paradise" expands its fleet and enables itself to further penetrate into cruise ship charter services business. The acquisition also maintains solid contribution to the Group's income, thus strengthening the Group's long-standing competitive edge in its cruise ship charter service segment. The Group will continue to look for potential investment opportunities in the market.

Tapping into the future, the election of Donald Trump as president of the United States may further cloud the global economy. Concerns over protectionist policies arose amid the new presidency of the world's largest economy which can bring profound impacts on shaping the trade structure and economic landscape, presenting China and the rest of the world's financial markets with a range of new possibilities including constraints and opportunities. The Group will closely monitor market trends and manage its business portfolio cautiously. Riding on the Group's strong base of capital, assets and resources, it will continue to pursue the mission to create long-term value for its shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 September 2016, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of listed securities of the Company.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2016.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, all of them confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 September 2016.

REVIEW OF INTERIM RESULTS

The unaudited interim results for the six months ended 30 September 2016 have been reviewed by the auditors of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Board, through the audit committee, has also conducted a review of the internal control and the interim report for the six months ended 30 September 2016.

On behalf of the Board
Ng Wee Keat
Chairman

Hong Kong, 29 November 2016

As at the date of this announcement, the Board comprises Mr. Ng Wee Keat (Chairman), Ms. Sio Ion Kuan (Deputy Chairman), Ms. Ng Siew Lang, Linda (Chief Operating Officer), Ms. Lilian Ng, Ms. Chen Ka Chee and Mr. Yu Wai Man as executive directors and Mr. Cheung Chun Kwok, Mr. Kwan Kai Kin, Kenneth and Mr. Ho Yau Ming as independent non-executive directors.