太和控股有限公司
TAI UNITED HOLDINGS LIMITED
(incorporated in Bermuda with limited liability)
(Stock code: 718)

ANNOUNCEMENT OF FINAL RESULTS FOR THE NINE MONTHS ENDED 31 DECEMBER 2016

The board of directors (the "**Directors**" or the "**Board**") of Tai United Holdings Limited (the "**Company**") announces the consolidated results of the Company and its subsidiaries (collectively the "**Group**") for the nine months ended 31 December 2016 together with the comparative figures of the year ended 31 March 2016 as follows:–

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the nine months ended 31 December 2016

	Note	**Nine months ended 31 December 2016** ***HK$'000***	Year ended 31 March 2016 *HK$'000*
Revenue	*4*	**8,102,730**	1,121,247
Other income		**16,267**	2,260
Other gain and losses		**(59,863)**	222
Purchases and changes in inventories		**(7,882,354)**	(1,041,520)
Employee benefits expenses		**(43,125)**	(7,944)
Other operating expenses		**(129,430)**	(15,921)
Changes in fair value of investment properties		**304,430**	–
Impairment loss on mining rights		**–**	(217,083)
Share of results of an associate		**(46)**	–
Finance costs	*6*	**(100,644)**	(43)
Profit (loss) before tax		**207,965**	(158,782)
Income tax (expense) credit	*7*	**(166,858)**	42,708
Profit (loss) for the period/year	*8*	**41,107**	(116,074)
Other comprehensive (expense) income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising from translation of foreign operations		**(19,464)**	(646)
Reclassification of cumulative exchange differences to profit or loss upon disposal of a subsidiary		**1,224**	–
Share of exchange differences of an associate		**153**	–
Other comprehensive expense for the period/year		**(18,087)**	(646)

	Note	Nine months ended 31 December 2016	Year ended 31 March 2016
		HK$'000	*HK$'000*
Total comprehensive income (expense) for the period/year		**23,020**	(116,720)
Profit (loss) for the period/year attributable to:			
Owners of the Company		**41,263**	(116,204)
Non-controlling interests		**(156)**	130
		41,107	(116,074)
Total comprehensive income (expense) for the period/year attributable to:			
Owners of the Company		**23,559**	(116,850)
Non-controlling interests		**(539)**	130
		23,020	(116,720)
			(Restated)
Earnings (loss) per share	*10*		
– Basic (HK cents)		**1.94**	(8.56)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 December 2016

	Note	At 31 December 2016	At 31 March 2016
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**182,567**	12,161
Investment properties	*11*	**3,625,760**	–
Goodwill		**12,014**	–
Intangible assets		**32,366**	–
Mining rights		**454,541**	454,541
Interest in an associate		**15,301**	–
Loan note receivable	*12*	**1,460,808**	–
Available-for-sale investments		**1,429**	–
Deposits for potential acquisitions		**–**	10,000
Pledged bank deposits		**19,713**	–
Other non-current assets		**9,932**	–
		5,814,431	476,702
Current assets			
Inventories		**1,834**	845
Financial assets designated as at fair value through profit or loss	*13*	**452,600**	–
Accounts receivable	*14*	**85,063**	3,271
Held-for-trading investments		**651,856**	760,613
Deposits, prepayments and other receivables		**410,467**	47,749
Financial derivative contract		**–**	75,266
Restricted bank deposits		**841,106**	–
Bank balances and cash		**2,016,662**	522,631
		4,459,588	1,410,375
Current liabilities			
Financial derivative contract		**12,685**	–
Accounts and bills payables	*15*	**910,591**	–
Accrued liabilities and other payables		**151,366**	2,398
Borrowings	*16*	**1,931,096**	40,245
Amount due to ultimate holding company		**14,728**	4,798
Loan notes	*17*	**1,412,116**	–
Loans from ultimate holding company		**–**	877,040
Tax payables		**26,724**	11,528
		4,459,306	936,009
Net current assets		**282**	474,366
Total assets less current liabilities		**5,814,713**	951,068

	Note	At 31 December 2016	At 31 March 2016
		HK$'000	*HK$'000*
Non-current liabilities			
Loan from a fellow subsidiary		**171,444**	–
Other non-current liabilities		**1,165,586**	–
Deferred tax liabilities		**245,453**	93,158
		1,582,483	93,158
Net assets		**4,232,230**	857,910
Capital and reserves			
Share capital	*18*	**240,164**	75,054
Reserves		**3,989,016**	773,841
Equity attributable to owners of the Company		**4,229,180**	848,895
Non-controlling interests		**3,050**	9,015
Total equity		**4,232,230**	857,910

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the nine months ended 31 December 2016

	Attributable to owners of the Company								
	Share capital	Share premium	Contributed surplus reserve	Deemed capital contribution reserve	Translation reserve	Accumulated losses	Subtotal	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2015	52,296	837,222	52,743	–	(108)	(319,225)	622,928	2,885	625,813
(Loss) profit for the year	–	–	–	–	–	(116,204)	(116,204)	130	(116,074)
Exchange differences arising from translation of foreign operations	–	–	–	–	(646)	–	(646)	–	(646)
Total comprehensive (expense) income for the year	–	–	–	–	(646)	(116,204)	(116,850)	130	(116,720)
Placing of new shares	10,249	170,150	–	–	–	–	180,399	–	180,399
Subscription of new shares	12,509	153,211	–	–	–	–	165,720	–	165,720
Transaction costs attributable to placing and subscription of new shares	–	(3,302)	–	–	–	–	(3,302)	–	(3,302)
Capital contribution from non-controlling interest	–	–	–	–	–	–	–	6,000	6,000
At 31 March 2016	75,054	1,157,281	52,743	–	(754)	(435,429)	848,895	9,015	857,910
Profit (loss) for the period	**–**	**–**	**–**	**–**	**–**	**41,263**	**41,263**	**(156)**	**41,107**
Exchange differences arising from translation of foreign operations	**–**	**–**	**–**	**–**	**(19,081)**	**–**	**(19,081)**	**(383)**	**(19,464)**
Reclassification of cumulative exchange differences to profit or loss upon disposal of a subsidiary	**–**	**–**	**–**	**–**	**1,224**	**–**	**1,224**	**–**	**1,224**
Share of exchange differences of an associate	**–**	**–**	**–**	**–**	**153**	**–**	**153**	**–**	**153**
Other comprehensive expense for the period	**–**	**–**	**–**	**–**	**(17,704)**	**–**	**(17,704)**	**(383)**	**(18,087)**
Total comprehensive (expense) income for the period	**–**	**–**	**–**	**–**	**(17,704)**	**41,263**	**23,559**	**(539)**	**23,020**
Issue of rights shares	**150,110**	**2,852,075**	**–**	**–**	**–**	**–**	**3,002,185**	**–**	**3,002,185**
Placing of new shares	**15,000**	**345,000**	**–**	**–**	**–**	**–**	**360,000**	**–**	**360,000**
Transaction costs attributable to issue of rights shares and placing of new shares	**–**	**(12,771)**	**–**	**–**	**–**	**–**	**(12,771)**	**–**	**(12,771)**
Disposal of a subsidiary	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(5,426)**	**(5,426)**
Deemed capital contributions from shareholders	**–**	**–**	**–**	**7,312**	**–**	**–**	**7,312**	**–**	**7,312**
At 31 December 2016	**240,164**	**4,341,585**	**52,743**	**7,312**	**(18,458)**	**(394,166)**	**4,229,180**	**3,050**	**4,232,230**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the nine months ended 31 December 2016

1. GENERAL

Tai United Holdings Limited (formerly known as Bestway International Holdings Limited) (the "**Company**") is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). In the opinion of the directors of the Company (the "**Directors**"), the Company's ultimate holding company is Tai He Financial Group Limited, a company incorporated and domiciled in the Cayman Islands with limited liability. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Company is located at Suite 1206-1209, 12th Floor, Three Pacific Place, 1 Queen's Road East, Hong Kong.

The Company is an investment holding company. The principal activities of its principal subsidiaries are securities investment, commodity trading, distressed debt asset management, mining and exploitation of natural resources, sales of medical equipment and other general goods, financial services and property investment.

Pursuant to a special resolution passed on 8 July 2016, the Certificate of Incorporation on Change of Name of the Company issued by the Registry of Companies in the Bermuda on 15 July 2016 and the Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company issued by the Registrar of Companies in Hong Kong on 12 August 2016, the Company changed its name to Tai United Holdings Limited with effect from 19 August 2016.

During the nine months ended 31 December 2016, the Group engaged into three new operating segments as disclosed in Note 5 and in order to provide a more comprehensive and informative presentation of the Company's results to the consolidated financial statement users, the management of the Company has reconsidered the presentation in the consolidated statement of profit or loss and other comprehensive income. Revenue and expenses have been disclosed as separate line items according to their nature on the revenue note and on the face of the consolidated statement of profit or loss and other comprehensive income. Cost of sales have been reclassified to "Purchases and changes on inventories", while selling and distribution expenses, administrative expenses and other operating expenses have been disclosed as separate line items as "Employee benefits expenses" and "Other operating expenses", on the face of the consolidated statement of profit or loss and other comprehensive income. Accordingly, the relevant comparative amounts of cost of sales totalling HK$1,041,520,000, selling and distribution expenses totaling HK$2,472,000, administrative expenses totaling HK$23,660,000 and other operating expenses totaling HK$10,000 have been reclassified to conform with the current year's presentation.

The functional currency and the presentation currency of the Company is Hong Kong Dollars ("**HK$**").

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

During the current financial period, the reporting period end date of the Group was changed from 31 March to 31 December because the Directors determined to align the annual reporting period end date with the financial year end date of the Company's principal operating subsidiaries incorporated in the People's Republic of China (the "**PRC**"). Such change is in response to the increase in operation and number of Company's subsidiaries incorporated and acquired in the PRC during recent years. The Directors consider that the change of the financial year end date will better facilitate the preparation of the consolidated financial statements of the Group. Accordingly, the consolidated financial statements for the current period cover the nine months ended 31 December 2016. The corresponding comparative amounts shown for the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and related notes cover a twelve month period from 1 April 2015 to 31 March 2016 and therefore may not be comparable with amounts shown for the current period.

3. APPLICATIONS OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

Amendments to HKFRSs that are mandatorily effective for the current period

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current period:

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 HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle

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

Amendments to HKAS 1 Disclosure Initiative

The Group has applied the amendments to HKAS 1 Disclosure Initiative for the first time in the current period. The amendments to HKAS 1 clarify that an entity need not provide a specific disclosure required by an HKFRS if the information resulting from that disclosure is not material, and give guidance on the bases of aggregating and disaggregating information. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in HKFRS is insufficient to enable users of financial statements to understand the impact of particular transactions, events and conditions on the entity's financial position and financial performance.

The Group has applied these amendments retrospectively, the grouping and ordering of certain profit or loss items, including i) revenue and expenses have been disclosed as separate line items according to their nature on the revenue note and on the face of the consolidated statement of profit or loss and other comprehensive income, ii) cost of sales have been reclassified to "Purchases and changes in inventories", and iii) selling and distribution expenses, administrative expenses and other operating expenses have been disclosed as separate line items as "Employee benefits expenses" and "Other operating expenses" on the face of the consolidated statement of profit or loss and other comprehensive income. Other than the above presentation and disclosure changes, the application of the amendments to HKAS 1 has not resulted in any impact on the financial performance or financial position of the Group in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments[1]
HKFRS 15	Revenue from Contracts with Customers and the related Amendments[1]
HKFRS 16	Leases[2]
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions[1]
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts[1]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKAS 7	Disclosure Initiative[4]
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses[4]
Amendments to HKFRSs	Annual improvements of HKFRSs 2014-2016 Cycle[5]

1 Effective for annual periods beginning on or after 1 January 2018
2 Effective for annual periods beginning on or after 1 January 2019
3 Effective for annual periods beginning on or after a date to be determined
4 Effective for annual periods beginning on or after 1 January 2017
5 Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate

HKFRS 9 Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Based on the Group's financial instruments and risk management policies as at 31 December 2016, the application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group's financial assets. The Group's available-for-sale investments, including those currently stated at cost less impairment, will either be measured as fair value through profit or loss or be designated as fair value through other comprehensive income ("FVTOCI") (subject to fulfillment of the designation criteria). In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised cost.

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The Directors anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the Directors do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 December 2016, the Group has non-cancellable operating lease commitments of HK$59,010,000. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the Directors complete a detailed review.

Except as described above, the Directors consider that the application of the other new and amendments to HKFRSs will have no significant impact on the Group's consolidated financial statements in coming year.

4. REVENUE

An analysis of the Group's revenue for the period/year is as follows:

	Nine months ended 31 December 2016	Year ended 31 March 2016
	HK$'000	*HK$'000*
Sale of petrochemical products	**5,314,254**	1,035,508
Sale of metal-related products	**2,553,001**	–
Sale of medical equipment and other general goods	**21,851**	13,348
Changes in fair value of financial assets designated as at fair value through profit or loss	**150,068**	–
Changes in fair value of held-for-trading investments	**53,308**	72,391
Property rental income	**2,263**	–
Service fees, commission and broking income from business	**1,187**	–
Effective interest income from loan note receivable	**6,798**	–
	8,102,730	1,121,247

5. SEGMENT INFORMATION

Information reported to the chief operating decision maker ("**CODM**"), being the Chief Executive Officer of the Company, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or rendered and the activities engaged, which is also the basis of organisation of the Group, is set out below.

For management purpose, the Group is currently organised into seven (year ended 31 March 2016: four) operating divisions summarised as follows:

(i) Securities investment segment – trading equity securities and derivatives in the PRC, Hong Kong and Singapore;

(ii) Commodity trading segment – trading of petrochemical products and metal-related products in Singapore;

(iii) Distressed debt asset management segment – managing of assets arising from acquisition of distressed debts assets in the PRC;

(iv) Mining and exploitation of natural resources segment – mining and production of tungsten resources activities in the Republic of Mongolia ("**Mongolia**");

(v) Sales of medical equipment and other general goods segment – trading of medical equipment and other general goods in the PRC;

(vi) Financial services segment – provision of securities and margin financing, trading and brokerage of futures contracts, asset management and money lending business to customers in Hong King; and

(vii) Property investment segment – property investment and leasing of properties in the PRC and United Kingdom ("**UK**").

Distressed debt asset management segment, financial services segment and property investment segment were new operating segments during the nine months ended 31 December 2016.

Segment revenue and results

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

For the nine months ended 31 December 2016

	Securities investment	Commodity trading	Distressed debt asset management	Mining and exploitation of natural resources	Sales of medical equipment and other general goods	Financial services	Property investment	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	53,308	7,867,255	150,068	–	21,851	7,985	2,263	8,102,730
Segment results	6,824	(11,602)	133,193	(1,102)	648	4,718	298,395	431,074
Loss on disposal of a subsidiary								(67)
Loss on initial recognition of loan notes								(440)
Share of results of an associate								(46)
Foreign exchange losses, net								(60,974)
Unallocated finance costs								(67,784)
Central administration costs								(93,798)
Profit before tax								207,965

For the year ended 31 March 2016

	Securities investment	Commodity trading	Mining and exploitation of natural resources	Sales of medical equipment and other general goods	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue	72,391	1,035,508	–	13,348	1,121,247
Segment results	57,906	1,755	(217,711)	692	(157,358)
Foreign exchange gains, net					2,456
Central administration costs					(3,880)
Loss before tax					(158,782)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the current period and prior year.

Segment result represents the profit earned or loss before tax incurred by each segment without allocation of central administration costs including Directors' emoluments, legal and professional fees, office rentals and other operating expenses, unallocated finance costs, share of results of an associate, loss on initial recognition of loan notes and loss on disposal of a subsidiary. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by operating and reportable segment:

	31 December 2016	31 March 2016
	HK$'000	*HK$'000*
Segment assets		
Securities investment	**1,846,081**	1,193,483
Commodity trading	**1,194,036**	184,346
Distressed debt asset management	**497,256**	–
Mining and exploitation of natural resources	**454,584**	454,701
Sales of medical equipment and other general goods	**8,898**	11,997
Financial services	**2,063,330**	–
Property investment	**3,664,866**	–
Total segment assets	**9,729,051**	1,844,527
Interest in an associate	**15,301**	–
Available-for-sale investments	**1,429**	–
Deposits paid for potential acquisitions	**315,225**	10,000
Unallocated property, plant and equipment	**163,272**	–
Unallocated intangible assets	**4,130**	–
Unallocated corporate assets	**45,611**	32,550
Consolidated assets	**10,274,019**	1,887,077

	31 December 2016	31 March 2016
	HK$'000	*HK$'000*
Segment liabilities		
Securities investment	**388,365**	40,546
Commodity trading	**809,927**	181
Distressed debt asset management	**40,409**	–
Mining and exploitation of natural resources	**93,158**	93,571
Sales of medical equipment and other general goods	**797**	262
Financial services	**1,290,291**	–
Property investment	**1,250,212**	–
Total segment liabilities	**3,873,159**	134,560
Loans from ultimate holding company	**–**	877,040
Amount due to ultimate holding company	**14,728**	4,798
Loan notes	**1,412,116**	–
Loan from a fellow subsidiary	**171,444**	–
Unallocated secured bank borrowing	**498,471**	–
Unallocated corporate liabilities	**71,871**	12,769
Consolidated liabilities	**6,041,789**	1,029,167

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable segments other than interest in an associate, available-for-sale investments, deposits paid for potential acquisitions, unallocated property, plant and equipment, unallocated intangible assets and other unallocated corporate assets (including primarily unallocated bank balances and cash).

- all liabilities are allocated to reportable segments other than loans from ultimate holding company, amount due to ultimate holding company, loan notes, loan from a fellow subsidiary, unallocated secured bank borrowing and other unallocated corporate liabilities.

6. FINANCE COSTS

	Nine months ended 31 December 2016	Year ended 31 March 2016
	HK$'000	*HK$'000*
Imputed interest expense on loan from a fellow subsidiary	**131**	–
Interest expenses on		
– loans from ultimate holding company	**32,278**	–
– secured bank borrowings	**8,704**	–
– margin financing	**17,825**	43
– vendor financing loan	**2,991**	–
– loan notes	**30,626**	–
Bank charges	**7,983**	–
Others	**106**	–
	100,644	43

7. INCOME TAX EXPENSE (CREDIT)

	Nine months ended 31 December 2016	Year ended 31 March 2016
	HK$'000	*HK$'000*
Current tax:		
The PRC Enterprise Income Tax ("**EIT**")	**4,849**	4,341
Singapore Corporate Tax ("**Singapore CIT**")	**9,677**	7,222
Hong Kong Profits Tax	**1,464**	–
UK Profits Tax	**29**	–
Overprovision in prior year:		
The PRC EIT	**(1,604)**	–
Singapore CIT	**(106)**	–
Deferred tax	**152,549**	(54,271)
	166,858	(42,708)

Hong Kong Profits Tax and Singapore CIT are calculated at 16.5% and 17.0%, respectively, on the estimated assessable profit for the period/year.

Under the Law of the PRC on EIT (the "**EIT Law**") and Implementation Regulation of the EIT Law, the PRC EIT rate of subsidiaries of the Group operating in the PRC was 25% or at a lower concessionary rate of 9% for subsidiaries operating in the Tibet Autonomous Region for the period/year.

Subsidiaries incorporated in Mongolia are subject to Mongolian income tax which is calculated at the rate of 10% on the first 3 billion Mongolian Turgrik ("**MNT**") of estimated taxable income and 25% on the amount in excess thereof. No provision for Mongolian income tax has been made in the consolidated financial statement as there are no assessable profits for the period/year.

UK Profits Tax is calculated at 20% of estimated assessable profit for the period.

8. PROFIT (LOSS) FOR THE PERIOD/YEAR

	Nine months ended 31 December 2016	Year ended 31 March 2016
	HK$'000	*HK$'000*
Profit (loss) for the period/year has been arrived after charging:		
Directors' emoluments	**11,611**	1,952
Other staff costs:		
– Salaries, wages and other benefits	**30,351**	5,842
– Retirement benefits	**1,163**	150
Total staff costs	**43,125**	7,944
Cost of inventories recognised as cost of sales	**7,882,354**	1,041,520
Amortisation of intangible assets	**250**	–

9. DIVIDENDS

No interim or final dividend was paid or proposed during the nine months ended 31 December 2016 and year ended 31 March 2016, nor has any dividend been proposed since the end of the reporting period.

10. EARNINGS (LOSS) PER SHARE

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

	Nine months ended 31 December 2016	Year ended 31 March 2016
	HK$'000	*HK$'000*
Earnings (loss)		
Profit (loss) for the period/year attributable to owners of the Company for the purposes of basic earnings (loss) per share	**41,263**	(116,204)

	Nine months ended 31 December 2016	Year ended 31 March 2016
	'000	*'000* (restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculation of basic earnings (loss) per share	**2,123,430**	1,357,591

For the nine months ended 31 December 2016, the weighted average number of shares for the purposes of basic earnings per share has been adjusted for the issuance of rights shares and share placing in November and December 2016 (details are disclosed in Notes 18(a) and 18(b)).

For the year ended 31 March 2016, the weighted average number of shares for the purposes of basic loss per share has been adjusted to reflect the bonus element arising from share placing and share subscriptions of the Company's ordinary shares in July and November 2015.

As described in 18(a), the Company completed the rights issue on 7 November 2016. Since there is a bonus element in the rights issue, retrospective adjustment has been made to the weighted average number of ordinary shares for the prior year.

No diluted earnings (loss) per share for the period/year were presented as there were no potential ordinary shares in issue for the period/year.

11. INVESTMENT PROPERTIES

	HK$'000
FAIR VALUE	
At 1 April 2015 and 31 March 2016	–
Additions	1,261,374
Acquired through acquisitions of subsidiaries *(Note 19 (i)(c), (i)(d))*	2,049,856
Changes in fair value recognised in profit or loss	304,430
Exchange realignment	10,100
At 31 December 2016	3,625,760

12. LOAN NOTE RECEIVABLE

	HK$'000
CARRYING VALUES	
At 1 April 2015 and 2016	–
Loan notes subscribed	1,550,800
Less: Loan note arrangement fee	(89,992)
At 31 December 2016	1,460,808

On 15 December 2016, the Group has entered into a subscription agreement with Haitong Global Investment SPC III ("**Haitong Global**") pursuant to which the Group agreed to subscribe for 50,000 Class R participating shares at a total consideration of US$50,000,000 of Haitong Dynamic Multi-Tranche Investment Fund IV S.P. (the "**Haitong Dynamic Fund**").

There are two classes of non-voting shares in the capital of the Haitong Dynamic Fund, namely Class P participating shares and Class R participating shares and the shareholder of Class P participating shares is a company controlled by Haitong International Securities Group Limited, an independent third party not connected with the Group. The principal of the Class P participating shares is US$150,000,000 (equivalent to approximately HK$1,163,100,000) and Haitong Global has appointed Hai Tong Asset Management (HK) Limited as its investment manager of Haitong Dynamic Fund.

The Directors have assessed the facts that i) the purpose of setting up the Haitong Dynamic Fund was initiated by the Group and solely for subscribing loan note issued by an independent third party and after the subscription of the loan note, most of the investment capital in the Haitong Dynamic Fund has been used up and no further investment decisions could be made until the maturity of the loan note, ii) in accordance with the subscription agreement, the Company could receive the residual value from Haitong Dynamic Fund after paying the principal and target return, which is 6.5% fixed interest income of the US$150,000,000 principal of the Class P participating shares; and iii) the Group agreed to provide the guarantee in favour of the Class P participating shareholders for the performance of the Haitong Dynamic Fund with the maximum liability of US$103,000,000. After the assessment on all the facts in the subscription agreement, the Directors concluded that Haitong Dynamic Fund created significance exposure to variability of returns to the Group given that the expected return of the Haitong Dynamic Fund reached 28% during the two years term on the existing investment project during the two years term and the Group also has to compensate any potential loss to the Class P participating shareholders up to US$103,000,000, approximately to 69% of the principal contributed by Class P participating shareholders, and concluded that the Group has control over the Haitong Dynamic Fund under HKFRS 10.

During the nine months ended 31 December 2016, Haitong Dynamic Fund has entered into a subscription agreement with the Borrower pursuant to which the Group agreed to subscribe for loan note with principal amount of US$200,000,000 (equivalent to approximately HK$1,550,800,000) at a fixed interest rate of 8% per annum with a maturity period of 2 years. Arrangement fee and advisory fee shall be charged on principal amount at 6% upon issuance of the loan note and the thirteenth month from the loan note issue date amounting to HK$93,051,000, respectively.

Interest income and arrangement fee income amounted to HK$3,739,000 and HK$3,059,000, respectively, have been recognised in profit or loss during the nine months ended 31 December 2016.

13. FINANCIAL ASSETS DESIGNATED AS AT FAIR VALUE THROUGH PROFIT OR LOSS

During the nine months ended 31 December 2016, the Group acquired distressed debt assets through public tenders in the PRC with collaterals, including plant and machinery, residential buildings, industrial and commercial buildings and land use rights in the PRC. Such distressed debt assets are accounted for as financial assets designated as at fair value through profit or loss according to their investment management strategy. The changes in fair value of financial assets designated as at fair value through profit or loss comprise realised gains from disposal of distressed debt assets and their unrealised fair value changes. Any interest income arising from such assets are also included in the changes in their fair values on the collaterals of distressed debt assets.

As at 31 December 2016, the fair value of the distressed debt assets was determined with reference to a valuation carried out by Jones Lang LaSalle Corporation Appraisal and Advisory Limited ("**JLL**"), an independent qualified professional valuer, amounting to approximately HK$452,600,000 (31 March 2016: Nil).

14. ACCOUNTS RECEIVABLE

	31 December 2016	31 March 2016
	HK$'000	*HK$'000*
Accounts receivable arising from the sales of medical equipment and other general goods	**2,907**	3,271
Accounts receivable arising from the business of dealing in securities:		
– cash clients	**529**	–
– margin clients	**29,847**	–
Accounts receivable arising from the business of dealing in futures and options:		
– clients	**26,045**	–
– clearing houses, brokers and dealers	**25,775**	–
	85,103	3,271
Impairment loss in relation to:		
Accounts receivable arising from the business of dealing in securities:		
– margin clients	**(40)**	–
Total	**85,063**	3,271

No ageing analysis for the accounts receivable arising from the business of dealing in securities, futures and options as in the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of broking business.

The following is an aged analysis of accounts receivable presented at the end of the reporting period, based on the invoice dates in relation to sale of medical equipment and other general goods which approximated the respective revenue recognition dates:–

	31 December 2016	31 March 2016
	HK$'000	*HK$'000*
Within 30 days	**631**	636
31 – 90 days	**1,207**	768
91 – 120 days	**185**	186
Over 120 days	**884**	1,681
	2,907	3,271

15. ACCOUNTS AND BILLS PAYABLES

	31 December 2016	31 March 2016
	HK$'000	*HK$'000*
Accounts payable arising from the business of dealing in securities:		
– clearing house, brokers and dealers	**26,022**	–
– cash clients	**5,582**	–
– margin clients	**48,634**	–
Accounts payable to clients arising from the business of dealing in futures and options	**40,340**	–
Bills payable arising from the purchase of petrochemical products and metal-related products	**790,013**	–
	910,591	–

The credit period on of bills payable arising from the purchase of petrochemical products and metal-related products is 365 days.

The settlement terms of accounts payable arising from the business of dealing in securities are two days after trade date or at specific terms agreed with clearing houses. Accounts payable to margin clients and cash clients are repayable on demand. No ageing analysis for accounts payable arising from the business of dealing in securities is disclosed as in the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of business of securities margin financing.

Accounts payable to clients arising from the business of dealing in futures and options are cash deposits received from clients for their trading of these contracts. The required cash deposits are repayable upon the closure of the corresponding futures and options position. The excess of the outstanding amounts over the required cash deposits stipulated are repayable to clients on demand. No ageing analysis for accounts payable to client arising from the business of dealing in futures and options is disclosed as in the opinion of the Directors, the ageing analysis does not give additional value in view of the nature of these businesses.

The following is an aged analysis of bills payables arising from the purchase of petrochemical products and metal-related products based on the bills issuance dates at the end of the reporting period:

	31 December 2016 HK$'000	31 March 2016 HK$'000
31 – 90 days	**294,989**	–
91 – 150 days	**405,153**	–
More than 151 days but within 1 year	**89,871**	–
	790,013	–

16. BORROWINGS

	31 December 2016 HK$'000	31 March 2016 HK$'000
Secured variable-rate bank borrowing	**1,598,250**	–
Less: loan raising costs	**(8,865)**	–
	1,589,385	–
Margin financing	**310,590**	40,245
Vendor financing loan	**31,121**	–
	1,931,096	40,245

	31 December 2016 HK$'000	31 March 2016 HK$'000
The carrying amounts of the above borrowings are within one year *(Note)*	**564,141**	–
The carrying amount of secured borrowings that contains a repayment on demand clause (shown under current liabilities) but contractually repayable as follow:		
Within one year	**393,955**	40,245
More than one year, but not exceeding two years	**105,969**	–
More than two years, but not exceeding three years	**317,906**	–
More than three years, but not exceeding four years	**549,125**	–
	1,366,955	40,245
	1,931,096	40,245
Less: Amounts due within one year shown under current liabilities	**(1,931,096)**	(40,245)
Amounts shown under non-current liabilities	**–**	–

Note: The amounts due are based on scheduled repayment dates set out in the loan agreements.

17. LOAN NOTES

On 28 September 2016, the Company entered into loan notes and warrants subscription agreement (the "**Loan Notes Subscription Agreement**") with Cheer Hope Holdings Limited, Songhua Investment Holding Limited and Haitong International Investment Fund SPC (the "**Investors**") pursuant to which the Company conditionally agreed to issue, and the Investors conditionally agreed to subscribe for, the loan notes (the "**Loan Notes**") in the aggregate principal amount of not more than United States Dollars ("**US$**") 180,000,000 (equivalent to approximately HK$1,395,000,000) with an initial term of 2 years from the date of issue, which may be extended for a further term of one year by the Company with the consent of the Loan Notes holders (the "**Loan Notes Holders**"). The Loan Notes were fully subscribed by the Investors on 30 September 2016.

Pursuant to the Loan Notes Subscription Agreement, in consideration of the subscription of the Loan Notes by the Investors, the Company conditionally agreed to grant the warrants to the Investors. The Warrant Holders can subscribe for up to 279,000,000 shares of the Company at an initial warrant shares subscription price of HK$1.0 per warrant share during the warrants subscription period. The warrant shares subscription price is subject to adjustment according to the terms and conditions of the warrants instrument.

Should there are no warrants being granted by the date falling six calendar months after the first closing date of the Loan Notes, or any other date as agreed in writing between the Loan Notes Holders and the Company (the "**Warrants Long Stop Date**") (i.e 30 March 2017), in accordance to the Loan Notes Subscription Agreement, the Loan Notes Holders can exercise early redemption rights by giving a written notice of early redemption to the Company and all or any of the Loan Notes held by such Loan Notes Holders are immediately due and repayable at a redemption price (the "**No Warrant Early Redemption Price**").

The No Warrant Early Redemption Price shall be the amount equivalent to the sum of (i) the outstanding principal amount of the Loan Notes to be redeemed by such Loan Notes Holders, (ii) unpaid interest accrued on the Loan Notes from the issue date to (and including) the date of full payment of the No Warrant Early Redemption Price, (iii) unpaid default interest (if any) accrued on the Loan Notes, (iv) such amount as would result in an internal rate of return of 9.11% per annum on the outstanding principal amount of the Loan Notes to be redeemed from the issue date to (and including) the date of full payment of the No Warrant Early Redemption Price, and (v) all other outstanding amounts payable by the Company to the Loan Notes Holders under the other transaction documents.

In accordance with the Loan Notes Subscription Agreement, the Group pledged all the shares of two wholly-owned subsidiaries, Best Future Investments Limited and Hongrong Financial Holding (Shenzhen) Co., Ltd to a security agent, Songhua Investment Holding Limited who held the equity interests on behalf of the Investors as collaterals. The collaterals will be discharged when the net assets value of the Group exceeds HK$3,000,000,000 and debt ratio not exceeding 200%. The Loan Notes were guaranteed by the ultimate holding company and Mr. Chua and his wholly-owned company. As at 31 December 2016, the above said conditions are fully satisfied and the charges are released.

Transaction costs directly attributable to the issuance of Loan Notes amounting to HK$13,950,000 are included in the carrying amount of the Loan Notes and amortised over the period of the Loan Notes using the effective interest method.

As at 31 December 2016, the Company has not yet fulfilled all the substantive conditions precedent for granting the warrants to the Loan Notes Holders pursuant to the Loan Notes Subscription Agreement, the Directors considered that the probability of fulfilling all substantive conditions and issuing the warrants within the Warrants Long Stop Date is remote. Subsequent to the reporting period, the management of the Group has negotiated with the Loan Notes Holders for not granting any warrants and the Loan Notes Holders agreed to exercise their rights to demand for immediate repayment of the Notes at No Warrant carried Early Redemption Price at the end of Warrant Long Stop Date, which is 30 March 2017 and therefore, considering the facts above, the Loan Notes would be accounted for as a straight bond at 9.11% interest per annum and repayable on 30 March 2017. The fair value of the Loan Notes are measured based on the present value of the redemption amount at maturity with reference to a valuation report carried out by an independent qualified professional valuer, JLL, on the Loan Notes subscription date (i.e 30 September 2016).

18. SHARE CAPITAL

	Number of shares	Share capital
	'000	*HK$'000*
Authorised ordinary shares at HK$0.05 per share		
At 1 April 2015, 31 March 2016 and 31 December 2016	34,566,667	1,728,333
Issued and fully paid ordinary shares at HK$0.05 per share		
At 1 April 2015	1,045,913	52,296
Placement of new shares on 6 July 2015	205,000	10,249
Subscription of new shares on 30 November 2015	250,180	12,509
At 1 April 2016	1,501,093	75,054
Subscription of new shares *(Note a)*	3,002,185	150,110
Placement of new shares *(Note b)*	300,000	15,000
At 31 December 2016	4,803,278	240,164

Notes:

(a) On 1 September 2016, the Company entered into an underwriting agreement, pursuant to which the Company has conditionally agreed to allot and issue 3,002,184,872 rights shares ("**Rights Shares**") at the subscription price of HK$1.00 per Rights Shares on the basis of two Rights Shares for every one existing ordinary share of the Company held on 21 October 2016 (the "**Subscription**"). The subscription was completed on 7 November 2016 with net proceeds of approximately HK$2,991,242,000 and resulted in the increase in share capital of HK$150,110,000 and share premium of approximately HK$2,852,075,000, net of transaction costs of approximately HK$10,943,000.

(b) On 15 December 2016, the Company and Haitong International Securities Company Limited (the "**Placing Agent**") entered into a placing agreement whereby the Company agreed to place, through the Placing Agent, 300,000,000 new shares of the Company to not less than six placees at a price of HK$1.2 per share (the "**Placement**") with net proceeds of approximately HK$358,172,000. The Placement was completed on 30 December 2016 and resulted in the increase in share capital of HK$15,000,000 and share premium of approximately HK$345,000,000, net of transaction costs of approximately HK$1,828,000.

19. ASSETS AND BUSINESS ACQUISITIONS

During the nine months ended 31 December 2016, the Group had several material acquisitions in acquiring a controlling interest in certain companies for a total consideration of approximately HK$1,319,309,000. For the companies set out in note (i), they did not operate any business prior to the respective dates of acquisitions and accordingly, the Group considers the nature of these acquisitions as acquisitions of assets in substance and the considerations have been attributed to the individual assets acquired and liabilities assumed based on the relative fair values of the individual items. For the acquisition as mentioned in note (ii), the acquisition is considered as business combination under HKFRS 3 and accounted for using acquisition method.

(i) Assets acquisition

(a) Acquisition of San Siu Company Limited ("**San Siu**")

On 20 June 2016, Tai United Capital Limited, a directly wholly-owned subsidiary of the Company acquired the entire equity interest of San Siu at a consideration of HK$1,800,000. The principal asset of San Siu is a vehicle license plate issued in the PRC, which is being valued at HK$1,800,000.

(b) Acquisition of Citi Elite Limited ("**Citi Elite**")

On 5 July 2016, Tai United Capital Limited, a directly wholly-owned subsidiary of the Company acquired the entire equity interest of Citi Elite at a consideration of HK$2,330,000. The principal asset of Citi Elite is a vehicle license plate issued in Hong Kong, which is being valued at HK$2,330,000.

(c) Acquisition of RCBG and MRB Group

On 24 September 2016, BG Residential Holdings Limited ("**BG Residential**"), an indirect wholly-owned subsidiary of the Company, entered into the sale and purchase agreement with The Rothschild Foundation (Hanadiv) Europe, The Rothschild Foundation, RCBG Residential (Jersey) Limited, MoREOF BG Residential Holdings Limited and Brockton Capital I (Tenenbaum) Limited (collectively referred to as the "**Vendors**"), pursuant to which BG Residential has agreed to purchase the entire equity interest of RCBG and MRB Group and has accepted the assignment of the shareholders' loans of RCBG and MRB Group. RCBG and MRB Group together legally held 100% equity interest in an entity holding properties located at 6-9 Buckingham Gate, London, SW1E, 6JP, United Kingdom ("**UK**").

The aggregate consideration was British Pound Sterling ("**GBP**") 58,803,000 (equivalent to approximately HK$556,276,000) and the acquisition has been completed on 4 November 2016.

Details of the above were set out in the Company's announcement dated 3 November 2016.

(d) Acquisition of Leon Property Limited

On 24 November 2016, Wide Flourish Investments Limited ("**Wide Flourish**"), an indirect wholly-owned subsidiary of the Company entered into the sale and purchase agreement with Leon Property Holdings Limited, pursuant to which Wide Flourish has agreed to purchase the entire equity interest of Leon Property Limited and repaid the shareholder's loan of Leon Property Limited. The principal asset of Leon Property Limited is a property located in Hammersmith, the West of London, UK, which is being valued at GBP103,500,000 (equivalent to approximately HK$988,425,000) and the acquisition has been completed on 23 December 2016.

The aggregate consideration is GBP44,950,000 (equivalent to approximately HK$429,524,000) and the acquisition has been completed on 23 December 2016.

Details of the above were set out in the Company's announcements dated 25 November 2016 and 24 January 2017.

(e) Acquisition of Sincere Will Insurance Brokers Limited ("**Sincere Will**")

On 27 October 2016, Best Shield Enterprises Limited, an indirectly wholly-owned subsidiary of the Company acquired the entire equity interest of Sincere Will at a consideration of HK$650,000. The principal asset of Sincere Will is a insurance brokerage license, which is being valued at HK$500,000.

(f) Acquisition of Mason International Limited ("**Mason**")

On 28 November 2016, Tai United Continental Company Limited, a directly wholly-owned subsidiary of the Company acquired the entire equity interest of Mason at a consideration of US$20,000,000. The principal asset of Mason is an aircraft, which is being valued at US$20,000,000 (equivalent to approximately HK$155,000,000).

(ii) Business acquisition – Hui Kai Holdings Limited and its subsidiaries ("Hui Kai Holdings") (the "Hui Kai Holdings Acquisition")

On 29 December 2015, the Group entered into a sales and purchase agreement with Mr. Lo Kwai Sang Dennis ("**Mr. Lo**") and First Step Securities Limited, a company incorporated in British Virgin Islands with limited liability and is wholly owned by Mr. Lo (collectively referred as the "**Original Vendors**") to acquire the entire equity interest in Hui Kai Holdings at a cash consideration of HK$170 million (the "**December Acquisition**"). The principal activities of Hui Kai Holdings are mainly engaged in securities and futures dealing, assets management and money lending business. A refundable deposit amounting to HK$10 million has been paid to the Original Vendors in January 2016 in respect of the December Acquisition. Subsequent to the signing of the agreement of December Acquisition, in light of the high volatility of the stock market, the Group and the Original Vendors believed that it is in the interests for them to take more time to review the receivables of a subsidiary of Hui Kai Holdings, namely Hui Kai Securities Limited, with a view to ascertaining with higher accuracy the amount of receivables that Hui Kai Securities Limited would have at completion.

As such, on 18 January 2016, the Group entered into a termination agreement with the Original Vendors to terminate the December Acquisition (the "**Termination Agreement**"), and separately entered into a new agreement with Hui Kai Holdings, being the new vendor, to acquire the entire equity interest in certain subsidiaries of Hui Kai Holdings for an aggregate cash consideration up to HK$56 million (the "**New Agreement**"), and in the meantime has an option at a premium of HK$1 to acquire the entire equity interest in Hui Kai Holdings for a consideration up to HK$120 million within 12 months (the "**Call Option Deed**"). The refundable deposit paid to Original Vendors under the December Acquisition amounting to HK$10,000,000 has been transferred to Hui Kai Holdings as the deposits under the New Agreement.

Given certain substantive conditions precedent has not yet fulfilled, the acquisition has not completed as at 31 March 2016 and in accordance with the terms of the supplemental agreement signed on 23 May 2016, an additional refundable deposit amounting to HK$5,000,000 has been further paid to Hui Kai Holdings during the reporting period.

On 14 October 2016, the Group served a written notice to Hui Kai Holdings to exercise the call option to acquire the entire equity interest of Hui Kai Holdings.

The acquisition was completed on 24 October 2016 and has been accounted for using the acquisition method.

Goodwill arose in Hui Kai Holdings Acquisition because of the cost of the combination include a control premium. In addition, the consideration paid for the combination effectively included amount in relation to the benefit of future market development and the assembled workforce of Hui Kai Holdings. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets. The goodwill arising from this acquisition is not expected to be deductible for tax purposes.

20. CHARGES ON ASSETS

Apart from details of charges on loan notes as disclosed in Note 17, the Group has the following charges on assets pledged to secure borrowings and bills payables as at 31 December 2016:

(i) the Group's investment properties with a carrying value of HK$1,074,375,000, as disclosed in Note 11, insurance proceeds and together with a floating charge over all the assets of certain subsidiaries of the Group were pledged to a bank to secure for a bank borrowing with an outstanding amount of approximately HK$525,250,000.

(ii) the Group's investment properties with a carrying value of HK$988,425,000, as disclosed in Note 11, pledged bank deposits with a carrying value of HK$19,713,000, and together with a floating charge over all the assets of a subsidiary of the Group were pledged to a bank to secure for a bank borrowing with an outstanding amount of approximately HK$573,000,000.

(iii) the Group's held-for-trading investments with a carrying value of HK$651,856,000 (31 March 2016: HK$150,923,000) was pledged to securities brokers to secure for margin financing with an outstanding amount of approximately HK$310,590,000 (31 March 2016: HK$40,245,000).

(iv) the Group's distressed debt assets with a carrying value of HK$215,041,000 were pledged to secure for vendor financing loan with an outstanding amount of approximately HK$31,121,000.

(v) the Group's restricted cash with a carrying value of HK$841,106,000 (31 March 2016: Nil) were pledged to secure for bills payable arising from the purchase of petrochemical products and metal-related products with an outstanding amount of approximately HK$790,013,000 (31 March 2016: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Creating Value   Building Advantages   Embracing Future

BUSINESS OPERATION HIGHLIGHT

We have stepped onto a new journey upon the capital and business restructurings in early 2016. Through further expansion of the capital base, reinforcing professionalism in the Board and the Management, optimizing business structure, setting up strategic development objectives and improving infrastructures, the Company gains a new operating philosophy now. With all our efforts, the strategic plans of the Group has been implemented during the period and will be continually moving forward.

During the period, three new business segments including distressed debt assets management, real estate investment and financial services have been introduced to the Group. The overall business structure is therefore optimized, and the profitability is strengthened. We are now well equipped for the challenging business development in next stage. The Group has also executed financing activities, the new funds have been effectively supporting business development, enhancing and reinforcing the operation foundation of the Group.

As at 31 December 2016, the consolidated total assets were over HK$10 billion. There is a significant growth in total assets size, the Company's competitiveness is strengthened. The consolidated profit before taxation for the period was HK$208 million, the consolidated net profit for the period was HK$41 million (for the year ended 31 March 2016: loss HK$116 million). The basic EPS for the period was HK1.94 cents (for the year ended 31 March 2016: loss per share HK8.56 cents). The Group's financial performance achieved a turnaround.

BUSINESS REVIEW

In order to explore business development opportunities, seize market and investment opportunities, the Group incorporated new business elements and established new operation models. Our principal businesses include distressed debt assets management, real estate investment, commodities trading, securities investment and financial services.

1. Distressed Debt Assets Management

The Group has acquired distressed debt assets portfolios with quality property collaterals. The professional assets management team responsible for analyzing, assessing and trading of distressed debt assets. It is with a target to realize potential value upside of pledged assets. As at 31 December 2016, the fair value of distressed debt assets held by the Group was approximately HK$453 million. The assets in the portfolios with collaterals including residential properties, industrial buildings, commercial buildings and lands in the PRC. The gross profit was HK$150 million, in which with appreciation gain HK$92 million and realized gain HK$58 million.

2. Real Estate Investment

In view of the opportunities in real estate market in developed countries, property investment is one of our key development strategies. We believe that it will contributes stable returns in a long run as well as capital appreciation to the Group.

Thanks to the professional real estate investment teams, during the period, we have successfully invested in both residential and commercial properties in London, and with catching a perfect timing of favorable Sterling rate. The investments involved amount of HK$1,061 million and HK$988 million respectively. In addition, the Group acquired a hotel facility located at Hangzhou City at a consideration of approximately HK$1,261 million. This hotel property was revalued to HK$1,563 million on 31 December 2016, and contributed an unrealized gain of approximately HK$302 million.

3. Commodities Trading And Securities Investment

Commodities trading business has been introduced to the Group since the end of 2015. The trading portfolios includes crude oil and precious metals. During the period ended 31 December 2016, the revenue from commodities trading business was approximately HK$7,867 million.

We are operating securities investment business in Hong Kong and Singapore, seize the opportunities and benefits from the international financial centers. We target the listed shares of large-scale qualified enterprises, with the purpose of capital appreciation and stable dividend income. As at 31 December 2016, the equity securities investment was HK$652 million.

4. Financial Services

The Group has acquired the entire interest of a financial institution in Hong Kong during the period. We are now holding type 1, 2 and 9 licenses under the SFO with the SFC in Hong Kong, and engaging financial activities includes securities and margin financing, trading and brokerage of futures contracts, asset management and money lending business.

In November 2016, the Group acquired a private company which is holding insurance broking license in Hong Kong. We believe that there are synergies in coordinating with the abovementioned securities investment and asset management business. It will work as our investment and financial services platform to provide comprehensive and quality financial services, and strengthen the basis of future development in this sector.

5. Other Business

The medical equipment and other general goods trading businesses shown steadily development since the operation commenced in November 2014. For the period ended 31 December 2016, revenue generated from the segment amounted to HK$22 million, increased with 64% as compared with that of previous year.

We are actively exploring optimal ways to operate the mining business. Currently, we are in process of relevant feasibility studies, the development decisions would be finalized after investigating the study results, and further announcements will be made as and when appropriate or required.

FINANCIAL REVIEW

1 Total Assets and Total Liabilities

As at 31 December 2016, the consolidated total assets was HK$10,274 million (31 March 2016: HK$1,887 million), representing an increase of HK$8,387 million during the period. It comprised of investment properties of HK$3,626 million, distressed debt assets HK$453 million, held-for-trading investments of HK$652 million, loan note receivable of HK$1,461 million, mining rights of HK$454 million, fixed assets of HK$183 million, cash and bank balances of HK$2,017 million.

The consolidated total liabilities was HK$6,042 million (31 March 2016: HK$1,029 million), representing an increase of HK$5,013 million during the period, which comprised of bank loans HK$1,931 million, loan note of HK$1,412 million, other liabilities of HK$1,166 million, deferred tax liabilities of HK$245 million, amount due to ultimate holding company of HK$15 million and loan from a fellow subsidiary of HK$171 million.

2 Total Equity

As at 31 December 2016, the shareholders' equity was HK$4,232 million (31 March 2016: HK$858 million). The increase in total equity with the amount of HK$3,374 million during the period was contributed to the new capitals from Rights issue and Placing, and also the net profits for the period.

3 Consolidated Profit For The Period

The consolidated profit for the period was HK$41 million (for the year ended 31 March 2016: loss HK$116 million), the financial performance achieved a turnaround. Earnings per share was HK1.94 cents (for the year ended 31 March 2016: loss HK8.56 cents).

During the period, the Group incurred total expenses of HK$500 million (for the year ended 31 March 2016: HK$198 million), of which including administrative expenses HK$173 million, exchange loss HK$61 million, finance cost of HK$101 million, income tax and deferred tax expenses HK$167 million. The increase in total expenses was due to the business expansion in the period. The depreciation in RMB in 2016, increased exposures to our RMB assets and resulted in exchange losses. Deferred tax and land appreciation tax were resulted from the revaluation gain of the investment properties in the PRC.

4 Liquidity and Financial Resources

As at 31 December 2016, the cash and bank deposits was HK$2,017 million (as at 31 March 2016: HK$523 million), current assets of HK$4,460 million (as at 31 March 2016: HK$1,410 million), current liabilities of HK$4,459 million (as at 31 March 2016: HK$936 million). The Current ratio was 1.00 time (as at 31 March 2016: 1.51 times). The increases in borrowings was due to the business development creates extra funding needs.

As at 31 December 2016, the total debt financing was approximately HK$3,343 million (31 March 2016: HK$40 million), which including the loan note issued by the Group of HK$1,412 million (31 March 2016: Nil), property-pledged or other asset-pledged bank loans of HK$1,620 million (31 March 2016: Nil), security-pledged margin financing loan of HK$311 million (31 March 2016: HK$40 million). As at 31 December 2016, there were no utilized or outstanding banking facilities. The above said loan note of HK$1,412 million will be payable on 30 March 2017, details are set out in Note 17 of this Announcement.

We regularly review the capital structure and key ratios, make sure sufficient liquidity to meet the requirements of business operations, particularly for the licensed subsidiaries.

5 Foreign Exchange Exposure

The Group's reporting currency is in HKD, and we are conducting conducts business mainly in HKD, USD, GBP and RMB. As HKD is pegged with the USD, there is no exposures in respect of USD assets and transactions. However, our UK subsidiaries conduct businesses in GBP, while the PRC subsidiaries conduct business in RMB, there are exchange exposures in respect of GBP and RMB assets and translations. We have implemented policies and guidance in relation to foreign exchange. Meanwhile, the subsidiaries in UK and PRC are able to generate sufficient income to deal with their local currency expenses, so that the overall exchange exposures is low.

6 Capital Structure

The Group has raised approximately HK$3,349 million in total from equity financing, the Rights Issue and the Placing during the period. Upon the completion of this two new issues, the issued shares of the Company increase from 1,501,092,436 to 4,803,277,308.

7 Capital Commitments

On 18 July 2016, the Company entered into an subscription agreement with Hun Lien international (Holding) Company Limited ("Hua Lien"), pursuant to which the Company conditionally agreed to subscribe a total of 3,700,000,000 shares in Hua Lien at the subscription price of HK$0.16 per share. The consideration of approximately HK$592,000,000 will be settled in cash by the way of the loan borrowed from the ultimate holding company.

On 27 March 2017, the Directors considered that the conditions precedent of the subscription agreement have not been fulfilled by the long stop date specified in the subscription agreement and the Directors has decided not to proceed with further negotiation to amend or extend the subscription agreement. The Subscription Agreement therefore has lapsed and the subscription contemplated thereunder will not proceed.

Details of the above are set out in the joint announcement of the Company and Hua Lien dated July 2016 and announcement of the Company dated 27 March 2017.

8 Contingent Liabilities

As at 31 December 2016, the Group did not have significant contingent liabilities (31 March 2016: Nil).

9. Financial Information and Ratios

	For the nine months ended 31 December 2016 *HK$ in million*	For the year ended 31 March 2016 *HK$ in million*	Changes
Operating results			
Revenue	8,103	1,121	+623%
Profit for the year	41	(116)	N/A

	As at 31 December 2016 *HK$ in million*	As at 31 March 2016 *HK$ in million*	Changes
Financial position			
Non-current assets	5,814	477	+1,119%
Current assets	4,460	1,410	+216%
Total assets	10,274	1,887	+444%
Non-Current liabilities	1,583	93	+1,602%
Current liabilities	4,459	936	+376%
Total liabilities	6,042	1,029	+487%
Total equity	4,232	858	+393%

	As at 31 December 2016	As at 31 March 2016
Financial ratios		
Current ratio	1.00	1.51
Gearing ratio	0.26	0.32
Return on total assets (%)	3.01%	-8.43%
Return on equity (%)	0.97%	-13.52%

	As at 31 December 2016 *(HK cents)*	As at 31 March 2016 *(HK cents)*
Earnings per share		
Basic	1.94	-8.56
Diluted	1.94	-8.56

Current ratio: Current assets/Current liabilities

Gearing ratio: Net debt/(Total equity + Net debt) Note

Return on assets: (Profit before tax + Finance cost)/Total assets x 100%

Return on equity: Profit for the year/Total equity x 100%

Note: Net debt is calculated as the sum of the borrowings, loan notes, loan from a fellow subsidiary and loan from ultimate holding company less bank balances and cash

10. Fund Raising Activities

The Company has actively sought for business and investment opportunities with the purpose of creating shareholder value. We keep evaluating and analyzing acquisition proposals so as to sort out valuable investment projects. As potential investment or business opportunities would require additional funding, we have been looking for low risk and low cost financing channels.

The net proceeds from equity financing and debt financing was approximately HK$4,744 million in total during the period, including:

1. Raise of net proceeds approximately HK$2,991 million by Rights issue. Pursuant to which the Company issued approximately 3,002,184,872 Rights Shares, at the subscription price of HK$1.00 per Rights Share based on two Rights Shares for every one existing share on record dates.

2. The net proceeds from the Placing was approximately HK$358 million, the Group completed a Placement of 300,000,000 placing shares at the placing price of HK$1.20 per placing share to six placees.

3. The issue of Loan Notes in aggregate principal of US$180 million (equivalent to approximately HK$1,395 million) at 28 September 2016.

The Company applied the above net proceeds as working capitals, financing acquisitions and investment projects such as capital injection to subsidiaries for development of financial services businesses, potential acquisitions of assets and businesses. The use of net proceeds are as follows:

Funds used as intended:

1. HK$586 million was applied to distressed debt assets investments, of which HK$96 million used to settle the remaining considerations of the distressed assets acquired on 12 August, while the rest of HK$490 million is allocated to acquire three new distressed debt asset portfolios.

2. HK$1,192 million was applied to settle the consideration for the acquisition of London properties.

3. Approximately HK$388 million was allocated to securities investment and commodities trading businesses.

4. Approximately HK$241 million for the development of real estate business.

5. Setting-off the outstanding loan of HK$1,210 million owed by the Company to the ultimate shareholder.

Funds not yet utilized:

1. Approximately HK$550 million will be applied as share capital and inject to the financial services business.

2. Approximately HK$250 million for development of financial services business in Hong Kong or other districts.

3. The residuals are reserved for operating funds.

OUTLOOK

In 2016, the Group focused on building business foundations and construct business operation methodologies. Looking forward, 2017 will keep the good momentum of 2016, we emphasis on maximizing shareholders' wealth, creating value for our customers and the society. We are getting ready to the rapid development of our core businesses. Although the global economic fundamentals are still complicated and ever-changing, we still believed that we can create value and build advantages by following the strategic deploys and direction of the Board. We will seize market opportunities, effectively use of resources and enhance efficiency, endeavor to achieve sustainable growth and development for the Group.

Real estate investment:	we will seize the market investment opportunities, seek for capital appreciation and stable return.
Distressed debt assets management:	we will fully engage in selecting asset portfolios, effective capital arrangement through accurately analyzing and judging over assets and debts, with a view to accelerate the turnover rate and speed up the realization of potential assets appreciation.
Commodities trading:	we will effectively manage the interest rate risks and exchange rate risks, so as to reduce the operating risks, creating value and facilitating efficiency.
Financial services:	we will integrate financial resource, establish financial platform, create synergies, improve asset management system, and expand investment team to enhance asset management services.

EVENTS AFTER THE REPORTING PERIOD

On 5 January 2017, the Company entered into a sales and purchase agreement with Mr. Chua, the executive director of the Company, to acquire the entire issued share capital of Tai Infinite Holdings Group Limited, a company incorporated in the Cayman Islands with limited liability at a consideration of HK$536,091,054 to be settled by the allotment and issue, credited as fully paid, of 446,742,544 shares of the Company to Mr. Chua. The principal asset of the Target Group is the commercial building located at 79th Floor, The Center, 99 Queen's Road Central, Hong Kong. Details of the above are set out in the announcement of the Company dated 5 January 2017 and 27 March 2017.

FINAL DIVIDEND

In view of the needs for investing financial resources to business development, the Board does not recommend the payment of any final dividend for the nine months ended 31 December 2016 (for the year ended 31 March 2016: Nil).

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

During the nine months ended 31 December 2016, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with all code provisions of the Corporate Governance Code (the "**CG Code**") throughout the nine months ended 31 December 2016 as set out in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), except for certain deviations disclosed herein.

Under code provision A.1.3 of the CG Code, notice of at least 14 days in advance should be given of a regular board meeting to give all directors an opportunity to attend. During the nine months ended 31 December 2016, certain Board meetings were convened with less than 14 days' notice to enable the Board members to react timely and make expeditious decisions in respect of urgent corporate transaction and general business update which was significant in nature. As a result, the individual Board meeting was held with a shorter notice period than required with the consent of the Directors. The Board will do its best endeavour to meet the requirement of code provision A.1.3 of the CG Code in the future.

Code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term subject to re-election. Independent non-executive Directors are not appointed for a specific term. However, all Directors are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company.

According to the code provision A.6.7 of the CG Code, all independent non-executive directors and non-executive directors should attend general meetings of listed issuers. Mr. Mao Kangfu and Dr. Gao Bin, the independent non-executive Directors, were unable to attend the 2016 annual general meeting (the "**2016 AGM**") and the special general meetings (the "**SGMs**") held on 8 July 2016 and 3 November 2016 due to their other business engagements. Ms. Liu Yan, the independent non-executive Director, was unable to attend the SGM held on 8 July 2016 due to her other business engagements.

Code provision C.2.5 of the CG Code provides that a listed issuer should have an internal audit function which generally carries out the analysis and independent appraisal of the adequacy and effectiveness of its risk management and internal control systems. The Group has conducted an annual review on whether there is a need for an internal audit department. Given that the Group has engaged an independent professional firm to review on its risk management systems for the nine months period under review, and the operation structure of the Group is relatively lean, the Board decided to be directly responsible for monitoring the effectiveness of the Group's risk management and internal control systems with the support of the audit committee of the Company (the "**Audit Committee**").

Further details of the Company's corporate governance practices shall be set out in the corporate governance report to be contained in the Company's annual report for the nine months ended 31 December 2016.

COMPLIANCE WITH THE MODEL CODE 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 to the Listing Rules as its own code of directors' securities transactions. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the nine months ended 31 December 2016.

AUDIT COMMITTEE

The Company has established the Audit Committee with a specific written terms of reference in compliance with the CG Codes contained in Appendix 14 to the Listing Rules. The Audit Committee's members meet at least twice annually to perform their duties, including but not limited to reviewing and providing supervision over the Group's financial reporting process, assisting the Board to ensure effective risk management and internal control systems, and providing advice and comments to the Board. The Group's audited consolidated financial statements for the nine months ended 31 December 2016 have been reviewed by the Audit Committee.

During the nine months ended 31 December 2016, the Audit Committee comprised three independent non-executive Directors, namely, Ms. Liu Yan, Mr. Mao Kangfu and Dr. Gao Bin; and Ms. Liu Yan is elected as the chairman of the Audit Committee. After the reporting period, Mr. Tang King Shing, an independent non-executive Director was appointed as a member of the Audit Committee with effect from 1 February 2017.

REVIEW OF THIS RESULTS ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the nine months ended 31 December 2016 have been agreed by the Group's auditor, Deloitte Touche Tohmatsu ("**Deloitte**"), to the amounts set out in the Group's consolidated financial statements for the nine months period. The work performed by Deloitte in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Deloitte on the preliminary results announcement.

PUBLICATION OF FINAL RESULTS AND DESPATCH OF ANNUAL REPORT

This results announcement is published on the website of the Stock Exchange at *http://www.hkexnews.hk* and the Company's website at *http://www.irasia.com/listco/hk/taiunited/index.htm*. The annual report of the Company for the nine months ended 31 December 2016 will be despatched to the shareholders of the Company and published on the aforesaid websites in due course.

By order of the Board
Tai United Holdings Limited
Chua Hwa Por
Chairman

Hong Kong, 29 March 2017

As at the date of this announcement, the Board comprises Mr. Chua Hwa Por, Dr. Meng Zhaoyi, Mr. Xu Ke, Mr. Ye Fei, Dr. Liu Hua, Mr. Chen Weisong and Mr. Wang Qiang as executive Directors; and Mr. Mao Kangfu, Dr. Gao Bin, Ms. Liu Yan and Mr. Tang King Shing as independent non-executive Directors.