Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

EGL Holdings Company Limited
東瀛遊控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6882)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

GROUP FINANCIAL HIGHLIGHTS

	Six months ended 30 June		
	2017	2016 (Restated) *(Note 2)*	Change in
	HK$'000	*HK$'000*	%
Revenue	**751,264**	817,361	-8.1
Gross profit	**144,964**	135,211	+7.2
Profit attributable to owners of the Company	**30,310**	15,014	+101.9
Earnings per share			
Basic and diluted (HK cents)	**6.03**	2.99	
Dividend per share (HK cents) *(Note 1)*	**2.0**	Nil	
Profit margin			
Gross profit margin	**19.3%**	16.5%	
Net profit margin	**4.0%**	1.8%	
Return on equity attributable to owners of the Company	**8.7%**	3.3%	

	As at 30 June 2017	As at 31 December 2016
Gearing ratio	**15.3%**	8.4%

Notes

1: Details of the dividends attributable to owners of the Company for the period are set out in note 8 to the interim financial information.

2: The interim results for the six months ended 30 June 2016 have been restated and accounted for using the principle of merger accounting to reflect the acquisition of 100% interest in Ebisu Growth Limited in December 2016. Please refer to note 2 to the interim financial information for details of effect of business combination under common control.

The board ("Board") of directors ("Directors") of EGL Holdings Company Limited ("Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries ("Group") for the six months ended 30 June 2017 together with comparative figures for the corresponding period in 2016 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2017

		Six months ended 30 June	
		2017	2016
		(Unaudited)	(Unaudited and restated)
	NOTES	***HK$'000***	*HK$'000*
Revenue	*5*	**751,264**	817,361
Cost of sales		**(606,300)**	(682,150)
Gross profit		**144,964**	135,211
Other income and gains, net	*5*	**8,207**	9,174
Share of results of associates		**911**	897
Selling expenses		**(44,764)**	(49,336)
Administrative expenses		**(75,347)**	(79,520)
Finance costs	*6*	**(9)**	–
Profit before income tax	*6*	**33,962**	16,426
Income tax expense	*7*	**(3,539)**	(1,184)
Profit for the period		**30,423**	15,242
Other comprehensive income, that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		**6,415**	11,274
Share of exchange differences on translation of foreign associates		**362**	102
Other comprehensive income for the period, net of tax		**6,777**	11,376
Total comprehensive income for the period		**37,200**	26,618
Profit for the period attributable to:			
Owners of the Company		**30,310**	15,014
Non-controlling interests		**113**	228
		30,423	15,242
Total comprehensive income for the period attributable to:			
Owners of the Company		**36,884**	26,339
Non-controlling interests		**316**	279
		37,200	26,618
Earnings per share for profit attributable to owners of the Company			
– Basic and diluted (HK cents)	*9*	**6.03**	2.99

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2017

	NOTES	As at 30 June 2017 (Unaudited) HK$'000	As at 31 December 2016 (Audited) HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**163,663**	147,059
Construction in progress		**101,198**	39,466
Interests in associates		**10,691**	9,418
Deferred tax asset		**1,028**	1,189
Other receivable	*11*	**–**	3,123
		276,580	200,255
Current assets			
Inventories		**7,406**	16,232
Trade receivables	*10*	**972**	2,224
Deposits, prepayments and other receivables	*11*	**121,774**	123,149
Amount due from a related company		**2,656**	2,656
Amount due from an associate		**2,058**	4,703
Pledged bank deposits		**28,485**	22,461
Cash at banks and on hand		**320,581**	260,876
		483,932	432,301
Current liabilities			
Trade payables	*12*	**47,495**	48,220
Accruals, deposits received and other payables	*13*	**238,048**	188,576
Amounts due to associates		**1,325**	4,899
Bank borrowings	*14*	**4,453**	–
Provision for taxation		**4,799**	11,386
		296,120	253,081
Net current assets		**187,812**	179,220
Total assets less current liabilities		**464,392**	379,475
Non-current liabilities			
Bank borrowings	*14*	**111,887**	53,287
Deferred tax liabilities		**1,649**	2,483
		113,536	55,770
Net assets		**350,856**	323,705
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	*15*	**50,245**	50,245
Reserves		**297,710**	270,875
		347,955	321,120
Non-controlling interests		**2,901**	2,585
Total equity		**350,856**	323,705

NOTES TO THE INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2017

1. GENERAL INFORMATION

EGL Holdings Company Limited (the "Company") was incorporated in the Cayman Islands on 24 July 2014 as an exempted company with limited liability. The address of its registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman, KY1-1108, Cayman Islands. Its principal place of business is located at 15/F, EGL Tower, 83 Hung To Road, Kwun Tong, Kowloon, Hong Kong.

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 28 November 2014.

The principal activity of the Company is investment holding and the principal activities of the subsidiaries are provision of package tours, free independent travellers ("FIT") packages, individual travel elements (together with FIT packages referred to as "FIT Products") and ancillary travel related products and services.

2. BASIS OF PREPARATION AND PRESENTATION

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

The interim financial information has been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 December 2016, except for the adoption of the new standards and amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual HKFRSs, HKASs and Interpretations issued by the HKICPA, as disclosed in note 3 to this interim financial information.

The interim financial information is unaudited but has been reviewed by BDO Limited 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 HKICPA.

This interim financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2016.

During the year ended 31 December 2016, the Group acquired the entire equity interest in Ebisu Growth Limited ("Ebisu Growth") from a related party, Great Port (Realty) Investment Limited ("Great Port Realty"), at a cash consideration of HK$124,500,000. Further details about the acquisition of Ebisu Growth were set out in the circular dated 25 November 2016. Such acquisition was approved in the ordinary resolution passed by the shareholders by way of poll in the extraordinary general meeting held on 16 December 2016.

The Group is founded and controlled by the Substantial Shareholders as defined below. As to Ebisu Growth, it was established by Great Port Realty (which in turn is indirectly controlled by the substantial shareholders, Mr. Yuen Man Ying, Mr. Huen Kwok Chuen, Mr. Leung Shing Chiu and Ms. Lee Po Fun ("Substantial Shareholders") since the incorporation of Great Port Realty). As the Company and Ebisu Growth are ultimately controlled by the Substantial Shareholders, the acquisition was a business combination under common control. To consistently apply for the Group's accounting policy for common control combination, the acquisition of Ebisu Growth was accounted for based on the principles of merger accounting as if the acquisition had occurred on the date when the combining entities first came under the control of the Substantial Shareholders. By applying merger accounting, the assets and liabilities of the Group and Ebisu Growth were combined using their existing book values from the Substantial Shareholders' perspective. Accordingly, the difference arising from the acquisition of Ebisu Growth, being the consideration given by the Company for the acquisition of Ebisu Growth adjusted for the elimination of the capital of Ebisu Growth, was accounted for in equity as "Merger Reserve" for the year ended 31 December 2016.

In accordance with Hong Kong Accounting Guideline 5 "Merger Accounting for Common Control Combinations", the comparative amounts of the condensed consolidated statement of profit or loss and other comprehensive income of the Group have been restated accordingly. The effect of acquisition on the items so restated in the comparative financial information in the condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2016 are summarised below:

	As previously reported (Unaudited) *HK$'000*	Effect of acquisition of Ebisu Growth (Unaudited) *HK$'000*	As restated (Unaudited) *HK$'000*
Revenue	817,361	–	817,361
Cost of sales	(682,150)	–	(682,150)
Gross profit	135,211	–	135,211
Other income and gains, net	9,174	–	9,174
Share of results of associates	897	–	897
Selling expenses	(49,336)	–	(49,336)
Administrative expenses	(79,460)	(60)	(79,520)
Finance costs	–	–	–
Profit before income tax	16,486	(60)	16,426
Income tax expense	(1,184)	–	(1,184)
Profit for the period	15,302	(60)	15,242
Other comprehensive income, that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations	160	11,114	11,274
Share of exchange differences on translation of foreign associates	102	–	102
Other comprehensive income for the period, net of tax	262	11,114	11,376
Total comprehensive income for the period	15,564	11,054	26,618
Profit for the period attributable to:			
Owners of the Company	15,074	(60)	15,014
Non-controlling interests	228	–	228
	15,302	(60)	15,242
Total comprehensive income for the period attributable to:			
Owners of the Company	15,285	11,054	26,339
Non-controlling interests	279	–	279
	15,564	11,054	26,618

3. ADOPTION OF HKFRSs

In the current period, the Group has applied for the first time the following new or amended HKFRSs issued by the HKICPA which are relevant to and effective for the Group's financial statements for the annual period beginning on or after 1 January 2017:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12 included in Annual Improvements to HKFRSs 2014-2016 Cycle	Disclosure of Interests in Other Entities

Amendments to HKAS 7 – Disclosure Initiative

Amendments to HKAS 7 requires an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosures to be provided in the Group's annual financial statements. The Group is not required to provide the additional disclosures in this interim financial information.

Amendments to HKAS 12 – Recognition of Deferred Tax Assets for Unrealised Losses

Amendments to HKAS 12 were issued with the purpose of addressing the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, although they also have a broader application for other situation. The amendments clarify that an entity, when assessing whether taxable profit will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Amendments to HKFRS 12 – Clarification of the scope of disclosure requirements in HKFRS 12

The amendments clarify that the disclosure requirements of HKFRS 12, other than for those in paragraphs B10-B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale in accordance with HKFRS 5.

None of the above amendments that are effective for the first time for periods beginning on or after 1 January 2017 have a material effect on this interim financial information.

The new or amended HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective for the financial year beginning on 1 January 2017 and have not been early adopted by the Group. The Group is in the process of making an assessment of the potential impact of these new or amended HKFRSs.

4. SEGMENT REPORTING

The Group has identified its operating segments based on the regular internal financial information reported to the chief operating decision-makers about allocation of resources to assess the performance of the Group's business.

During the year ended 31 December 2016, the Group obtained control of Ebisu Growth by acquiring its entire equity interest. The principal activities of Ebisu Growth are ownership, development and management of a hotel in Japan which is still under construction. The activities of Ebisu Growth have become a new reportable and operating segment of the Group and are separately assessed by the chief operating decision-makers.

Accordingly, the Group has two reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

– Travel and travel related services business ("Travel-related Business")
– Hotel operation ("Hotel Business")

Management assesses the performance of the operating segments based on the measure of segment results which represents the net of revenue, cost of sales, other income and gains, selling expenses, administrative expenses and share of results of associates directly attributable to each operating segment. Central administrative costs are not allocated to the operating segments as they are not included in the measure of the segment results that are used by the chief operating decision-makers for assessment of segment performance.

Segment assets include all assets with exception of corporate assets, including interest in an associate, cash at banks, certain prepayments and other receivable which are not directly attributable to the business activities of operating segments as these assets are managed on a group basis. Likewise, segment liabilities exclude corporate liabilities, such as certain other payables, which are not directly attributable to the business activities of any operating segments and not allocated to segments.

(a) **Business segments**

	Travel-related Business *HK$'000*	Hotel Business *HK$'000*	Total *HK$'000*
For the six months ended 30 June 2017 (Unaudited):			
Revenue			
From external customers	**751,264**	**–**	**751,264**
Reportable segment revenue	**751,264**	**–**	**751,264**
Reportable segment profit/(loss)	**36,554**	**(887)**	**35,667**
Finance costs	**9**	**–**	**9**
Depreciation on property, plant and equipment	**4,826**	**–**	**4,826**
Share of profits of associates	**1,284**	**–**	**1,284**
Income tax expense/(credit)	**4,460**	**(972)**	**3,488**
For the six months ended 30 June 2016 (Unaudited and restated):			
Revenue			
From external customers	817,361	–	817,361
Reportable segment revenue	817,361	–	817,361
Reportable segment profit/(loss)	16,175	(60)	16,115
Depreciation on property, plant and equipment	3,592	–	3,592
Share of profits of associates	932	–	932
Income tax expense	1,184	–	1,184

	Travel-related Business HK$'000	Hotel Business HK$'000	Total HK$'000
As at 30 June 2017 (unaudited):			
Reportable segment assets	**503,446**	**246,951**	**750,397**
Reportable segment liabilities	**291,268**	**115,952**	**407,220**
Additions to non-current assets	**5,297**	**68,772**	**74,069**
Share of net assets of associates	**6,687**	**–**	**6,687**
As at 31 December 2016 (audited):			
Reportable segment assets	453,870	171,365	625,235
Reportable segment liabilities	250,465	55,464	305,929
Additions to non-current assets	21,842	160,070	181,912
Share of net assets of associates	5,041	–	5,041

(b) Reconciliation of reportable segment revenues, profit or loss, assets and liabilities

	Six months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue		
Reportable segment revenue	**751,264**	817,361
Consolidated revenue	**751,264**	817,361

	Six months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited and restated)
	HK$'000	*HK$'000*
Profit before income tax expense		
Reportable segment profit	**35,667**	16,115
Share of loss of an associate	**(373)**	(35)
Other gains	**25**	1,268
Unallocated corporate expenses	**(1,357)**	(922)
Consolidated profit before income tax expense	**33,962**	16,426

	As at	As at
	30 June	31 December
	2017	2016
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Assets		
Reportable segment assets	**750,397**	625,235
Interest in an associate	**4,004**	4,377
Unallocated corporate assets	**6,111**	2,944
Consolidated total assets	**760,512**	632,556

	As at	As at
	30 June	31 December
	2017	2016
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Liabilities		
Reportable segment liabilities	**407,220**	305,929
Unallocated corporate liabilities	**2,436**	2,922
Consolidated total liabilities	**409,656**	308,851

(c) Geographic information

The following table provides an analysis of the Group's revenue from external customers and non-current assets other than other receivable and deferred tax asset ("Specified non-current assets"):

	Revenue from external customers (by customer location)		Specified non-current assets (by physical location)	
	Six months ended 30 June		**As at 30 June**	As at 31 December
	2017	2016	**2017**	2016
	(Unaudited)	(Unaudited)	**(Unaudited)**	(audited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong and Macau (place of domicile)	**749,268**	816,687	**18,671**	18,593
Japan	**1,253**	322	**245,794**	167,391
Others	**743**	352	**11,087**	9,959
	751,264	817,361	**275,552**	195,943

The place of domicile is determined by referring to the place the Group regards as its hometown, has the majority of operation and centre of management.

(d) Information about a major customer

The Group did not have any single customer contributed more than 10% of the Group's revenue during the six months ended 30 June 2017 (six months ended 30 June 2016: Nil).

5. REVENUE AND OTHER INCOME AND GAINS, NET

Revenue represents the net invoiced value of package tours and ancillary travel related products and the net proceeds from FIT Products and ancillary travel related services. The amounts of each significant category of revenue recognised during the period are as follows:

	Six months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Revenue		
Package tours	**674,959**	729,564
FIT Products *(note)*	**14,755**	25,758
Ancillary travel related products and services *(note)*	**61,550**	62,039
	751,264	817,361

Note: The Group's revenue from FIT Products and certain ancillary travel related products and services is considered as cash collected on behalf of principals as an agent, and thus recorded on a net basis. The gross proceeds received and receivable are as follows:

	Six months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Gross proceeds received and receivable	**205,735**	253,487

	Six months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Other income and gains, net		
Exchange gains, net	**5,702**	5,801
Handling income and forfeited fees from customers	**339**	387
Interest income on bank deposits	**656**	738
Rebate from a supplier	**1,327**	856
Sundry income	**183**	1,392
	8,207	9,174

6. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

	Six months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited and restated)
	HK$'000	*HK$'000*
Cost of inventories recognised as expenses	**16,457**	18,202
Depreciation on property, plant and equipment	**4,826**	3,592
Operating lease rental in respect of:		
– Premises	**13,505**	13,402
– Office equipment	**1,192**	1,176
– Travel buses	**31,739**	28,553
Employee costs (including directors' emoluments):		
– Salaries and other benefits in kind	**67,106**	74,369
– Retirement scheme contributions	**3,186**	2,951
	70,292	77,320
Finance costs		
– Interest expenses incurred on bank borrowings	**588**	52
– Less: Imputed interest capitalised into construction in progress *(note 14)*	**(579)**	(52)
	9	–

7. INCOME TAX EXPENSE

	Six months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current tax – Hong Kong Profits Tax		
– Tax for the period	**4,254**	350
Current tax – Macau Complementary Tax		
– Tax for the period	**–**	246
Current tax – People's Republic of China ("PRC") Enterprise Income Tax ("EIT")		
– Tax for the period	**13**	43
Current tax – Taiwan Profit-Seeking Enterprise Income Tax		
– Tax for the period	**84**	150
Deferred tax		
– (Credited)/charged to profit or loss for the period	**(812)**	395
	3,539	1,184

The group entities incorporated in the Cayman Islands and the BVI are tax-exempted as no business is carried out in the Cayman Islands and the BVI under the laws of the Cayman Islands and the BVI respectively.

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits of subsidiaries operating in Hong Kong for both periods.

Macau Complementary Tax is calculated at 12% on the estimated assessable profits of a subsidiary operating in Macau for both periods.

EIT is calculated at 25% on the estimated assessable profits of a subsidiary operating in the PRC for both periods. The Group has no estimated assessable profit arising from the subsidiary operating in the PRC for both periods. EIT represents deemed income tax charged at the appropriate current rates of taxation ruling in the PRC for a representative office for both periods.

Taiwan Profit–Seeking Enterprise Income Tax is calculated at 17% of estimated assessable profit of a subsidiary operating in Taiwan for both periods.

Subsidiaries operating in Japan are subject to national corporate income tax, inhabitant tax, and enterprise tax (hereinafter collectively referred to as "Japan Profits Tax") in Japan, which, in aggregate, resulted in effective statutory income tax rates of approximately 31% for the period based on the existing legislation, interpretations and practices in respect thereof. No provision for Japan Profits Tax has been provided as the Group has no estimated assessable profit arising in Japan for both periods.

8. DIVIDENDS

(a) Dividends attributable to the period

At the board meeting held on 25 August 2017, the Board declared an interim dividend of HK2 cents per share totalling HK$10,049,000 for the year ending 31 December 2017 (2016: Nil). The interim dividend is not reflected as a dividend payable in this interim financial information.

(b) Dividends attributable to the previous financial year, approved and paid during the period

A final dividend of HK2 cents per share of HK$10,049,000 in total was approved at the annual general meeting and paid during the current interim period (six months ended 30 June 2016: HK10 cents per share of HK$50,245,000 in total).

9. EARNINGS PER SHARE

	Six months ended 30 June	
	2017	2016
	(Unaudited)	(Unaudited and restated)
	HK$'000	*HK$'000*
Earnings		
Profit attributable to owners of the Company	**30,310**	15,014

	Six months ended 30 June	
	2017	2016
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares *(note)*	**502,450**	502,450

Note:

Diluted earnings per share were the same as the basic earnings per share as the Company had no dilutive potential shares during the current interim period and the same period of last year.

10. TRADE RECEIVABLES

	As at 30 June 2017 (Unaudited) *HK$'000*	As at 31 December 2016 (Audited) *HK$'000*
Trade receivables	**972**	2,224

The ageing analysis of the Group's trade receivables that are not impaired as at the end of the reporting period, based on invoice date, is as follows:

	As at 30 June 2017 (Unaudited) *HK$'000*	As at 31 December 2016 (Audited) *HK$'000*
0 – 90 days	**910**	2,160
91 – 180 days	**14**	42
181 – 365 days	**48**	22
	972	2,224

11. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

	As at 30 June 2017 (Unaudited) *HK$'000*	As at 31 December 2016 (Audited) *HK$'000*
Non-current asset		
Other receivable	**–**	3,123
Current assets		
Other receivables	**25,771**	18,761
Deposits	**7,993**	9,011
Prepayments	**88,010**	95,377
	121,774	123,149

12. TRADE PAYABLES

The credit terms of trade payables vary according to the terms agreed with different suppliers, which normally range from 1 day to 30 days. Based on the receipts of services and goods, which normally coincided with the invoice dates, the ageing analysis of the Group's trade payables as at the end of the reporting period is as follows:

	As at 30 June 2017 (Unaudited) *HK$'000*	As at 31 December 2016 (Audited) *HK$'000*
0 – 90 days	**43,947**	45,796
91- 180 days	**2,904**	2,089
181 – 365 days	**306**	113
Over 365 days	**338**	222
	47,495	48,220

13. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

	As at 30 June 2017 (Unaudited) *HK$'000*	As at 31 December 2016 (Audited) *HK$'000*
Accrued expenses	**6,937**	8,651
Customer deposits received	**194,680**	136,981
Other payables	**36,431**	42,944
	238,048	188,576

14. BANK BORROWINGS

	As at 30 June 2017 (Unaudited) *HK$'000*	As at 31 December 2016 (Audited) *HK$'000*
Current		
Bank borrowings, secured	**4,453**	–
Non-current		
Bank borrowings, secured	**111,887**	53,287
	116,340	53,287

As at 30 June 2017, the bank borrowings of approximately HK$114,618,000 (as at 31 December 2016: HK$53,287,000) were secured by charges over property, plant and equipment with aggregate carrying amounts of approximately HK$126,731,000 (as at 31 December 2016: HK$120,604,000), and the bank borrowings of approximately HK$1,722,000 (as at 31 December 2016: Nil) were secured by corporate guarantees from the Company's subsidiary, which is Ebisu Growth.

The bank borrowings are initially measured at fair value, net of directly attributable costs incurred and subsequently measured at amortised cost using the effective interest method.

The bank borrowings are subsequently measured at amortised cost using effective interest rate ranging from 1.19% to 1.21% per annum and imputed interest of approximately HK$579,000 (note 6) was incurred during the period.

15. SHARE CAPITAL

	Number *'000*	Amount *HK$'000*
Authorised		
Ordinary shares of HK$0.1 each		
At 30 June 2017 and 31 December 2016	1,000,000	100,000

	Number *'000*	Amount *HK$'000*
Ordinary shares, issued and fully paid		
At 30 June 2017 and 31 December 2016	502,450	50,245

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of EGL Holdings Company Limited ("Company") and its subsidiaries (hereinafter collectively referred to as "Group"), I am pleased to present you the unaudited condensed consolidated results of the Group for the six months ended 30 June 2017 ("Period").

For the six months ended 30 June 2017, the Group recorded total revenue of approximately HK$751.3 million (corresponding period in 2016: HK$817.4 million), representing a decrease of 8.1% as compared with the corresponding period last year. Even though the total revenue decreased, the gross profit margin of Japan-bound package tours improved due to the stabilised exchange rate of Japanese Yen ("JPY") against Hong Kong Dollar ("HKD") in the first half of 2017, more favourable price adjustment made by the Group in view of market reaction and more competitive terms obtained through negotiating with business partners. Also, the Group achieved cost savings through more effective cost control measures in place, and thereby lead to better operating results. Profit attributable to owners of the Company was approximately HK$30.3 million (corresponding period in 2016: HK$15.0 million (restated)), representing an increase of 101.9% as compared with the corresponding period last year. For the details of the improvement in our business performance, please refer to the section headed "Management Discussion and Analysis" below.

The board of directors of the Company ("Board") declared an interim dividend of HK2.0 cents per share for the year ending 31 December 2017 (2016: Nil), totalling approximately HK$10.0 million (2016: Nil).

BUSINESS REVIEW

The Group has stepped up efforts in promoting the culture of bringing heartfelt services to customers, which focused on caring about the needs of all customers, with the aim to dedicatedly and sincerely creating happier than ever experience for tourists. In order to improve the interaction with customers, and enable them to experience in person the featured elements of tourism, the Group organised a racing and colorful themed promotional event in a moving showroom jointly with Tourism Australia and Tourism Queensland, to let the public feel the joy of jogging in the gorgeous scenery of Gold Coast. Furthermore, the Group cooperated with British Airways, and engaged Mr. Sunny Pang, a renowned tourism photographer and multi-media designer, to create the "Light and Shadow in England" theme store for the Group. The customers could feel as if they were on the streets of England once they entered into the branch. Also our overseas wedding specialty shop, Love's On, organised a kimono day, which customers could try the kimono on and experience the traditional wedding culture of Japan.

Apart from strengthening the special theme package tours and in-depth tour, the Group launched a new tourism model, "Tour in FIT". Through adding FIT elements to package tours, customers could plan their own diversified schedule based on their personal preferences, and explore the cultures in different places in a more comfortable way. To promote the theme of enhancing connection among people, the Group rolled out an advertisement campaign involving TV commercials, micro film, and various online and offline engagements to market tours with relaxed itinerary for extended family with the aim to create enjoyable moments.

The Group strives to enhance the competitiveness of the Group by making continuous innovation and to improve operation model in a timely manner. During the Period, a new Online Travel Agency cellphone application ("OTA App") was officially launched. Besides hotel accommodation and air ticket reservation service, OTA App offers global online after-sales service which the Group's staff could address queries of customers and provide assistance. With the OTA App, the Group is committed to catering to the needs of customers in an all-round manner and kicking off a hassle-free trip. The Group has always been dedicated to the development of e-commerce and creating high-quality online marketing platform. During the Period, the Group was recognised as a Quality E-shop in the "Quality E-shop Recognition Scheme" organised by Hong Kong Retail Management Association, and thereby became the first travel agency granted with such honor in Hong Kong. It is encouraging to the Group's commitment to quality service.

In respect of the business development of the Group, a subsidiary of the Group located in the People's Republic of China ("PRC") which focused on inbound tours operation in the PRC has commenced operation in the second quarter of 2017.

SOCIAL PERFORMANCE

Through taking part in "RunOurCity" hosted by a social enterprise, the Group enhanced the employees' passion for sports and awareness on their own health. We also fully sponsored over 20 youngsters to attend the international marathon competition in Gold Coast of Australia, with a view to broadening the horizons of youngsters who lacked opportunities in the past, improving their positive thinking, and in the process allows the Group to contribute to the society. In respect of the business operation, the Group proactively encouraged and advocated the idea of environmentally friendly office, energy conservation and emission reduction, striving to minimise the impact on environment.

BUSINESS PROSPECTS

Empowered by the management's multifaceted thinking, the Group aims to grow its various business lines in an orderly manner, with the aim to enhance operational efficiency and expansion of revenue stream. Nevertheless, the Group will review its strategy periodically and make adjustment as necessary. It is expected that the Group's first hotel, "Osaka Hinode Hotel (大阪逸之彩酒店)", will be completed and commence operation by the end of this year, which will then bring cosy accommodation experience to the Group's package tours and FIT in their exciting journey. The Group also plans to construct a hot spring facility beside the hotel which will enable customers physical and mental relaxation.

Furthermore, the Group commenced to organise local package tours in Japan, which enables the travellers from different countries to participate in various local package tours with flexible combination and enrich their trips.

Through fostering team spirit and collective wisdom, the staff member and management of the Group will unite in the quest for increasing the pace of development under our joint efforts. I would like to express my deepest gratitude to all shareholders, customers, business partners, management and staff for their unwavering trust and support.

Yuen Man Ying
Chairman and Executive Director

Hong Kong, 25 August 2017

MANAGEMENT DISCUSSION AND ANALYSIS

Group Overview

Despite revenue of the Group decreased by 8.1% to approximately HK$751.3 million for the six months ended 30 June 2017 (six months ended 30 June 2016: HK$817.4 million), gross profit increased by 7.2% to approximately HK$145.0 million (six months ended 30 June 2016: HK$135.2 million) whilst gross profit margin increased from 16.5% to 19.3% over the first six months as compared to 2016.

Profit attributable to owners of the Company increased by 101.9%, from approximately HK$15.0 million (restated) in the first half of 2016 to approximately HK$30.3 million in the first half of 2017. As disclosed in the profit alert announcement of the Company dated 3 July 2017, the significant increase was mainly attributable to (i) improvement in gross profit margin of Japan-bound package tours due to more favourable price adjustment in view of market reaction and lower costs of travel elements in Japan contributed by negotiating for more competitive terms from business partners and more stabilised exchange rate of Japanese Yen against Hong Kong Dollar as compared to that of the first half of 2016 and (ii) achievement in cost saving through more effective cost control measures in place.

Basic earnings per share for profit attributable to owners of the Company for the first half of 2017 was HK6.03 cents (six months ended 30 June 2016: HK2.99 cents (restated)). Details of utilisation of net proceeds from initial public offering of the shares of the Company ("IPO") will be discussed in the sub-section headed "Management Discussion and Analysis – Use of proceeds from the IPO" below.

Business Overview

The principal activities of the Group comprise provision of package tours, free independent travellers ("FIT") packages, individual travel elements (together with FIT packages referred to as "FIT Products") and ancillary travel related products and services. The new operation of the subsidiary in the PRC has commenced operation in the second quarter of 2017 to promote our quality service and expand business network in the PRC market.

To establish well-balanced and diversified business portfolio for maximisation of long-term investment performance of the Group, its wholly-owned subsidiary in Osaka, Japan, which owns two land parcels of approximately 1,602 square meters, is now carrying out the construction works of a hotel building (the "Hotel Development Project"). The Hotel Development Project is expected to be completed in the fourth quarter of 2017 for commencement of operation of the hotel.

Revenue and gross profit from various business segments for the periods are set out as follows:

	Six months ended 30 June					
	2017			2016		
	Revenue *HK$'000*	**Gross profit** *HK$'000*	**Gross profit margin** *%*	Revenue *HK$'000*	Gross profit *HK$'000*	Gross profit margin *%*
Package tours						
– Japan	**466,638**	**81,035**	**17.4**	524,645	58,964	11.2
– Non-Japan	**208,321**	**25,183**	**12.1**	204,919	23,351	11.4
Total package tours	**674,959**	**106,218**	**15.7**	729,564	82,315	11.3
FIT Products and ancillary travel related products and services	**76,305**	**38,746**	**50.8**	87,797	52,896	60.2
Total	**751,264**	**144,964**	**19.3**	817,361	135,211	16.5

Package Tours

Revenue from package tours mainly represents tour fees received from customers for outbound package tours. The main source of the Group's revenue is derived from package tours, which contributed 89.8% to the Group's total revenue during the period under review (six months ended 30 June 2016: 89.3%).

Japan-bound package tours remain the major source of the Group's revenue. Despite the decrease in revenue by 11.1% and number of customers dropped by 16.9% from 60,359 in the first half of 2016 to 50,164 in the first half of 2017, gross profit increased by 37.4% and gross profit margin increased by 6.2 percentage points as compared to same period in 2016. It was mainly attributable to more favourable price adjustment in view of market reaction and lower costs of travel elements in Japan contributed by negotiating for more competitive terms from business partners and more stabilised exchange rate of JPY against HKD as compared to that of the first half of 2016.

For non-Japan-bound package tours, number of customers increased slightly by 1.9% from 32,760 in 2016 to 33,381 in 2017 over the first half of the respective periods, at the same time revenue, gross profit and gross profit margin also recorded an increase. As compared to the first half of 2016, the increase was mainly contributed from lower costs of travel elements in Europe, travel interests of customers being stimulated by currency depreciation in Euro and British pounds and resume of tours bound to Mediterranean Sea.

FIT Products and ancillary travel related products and services

Revenue from FIT Products and ancillary travel related products and services mainly represents income from sale of air tickets, hotel accommodation, public transportation tickets, theme park admission tickets, commission income from travel insurance services and handling fees for remittance services provided to souvenir and merchandise suppliers in Japan.

Affected by prolonged airlines' intensive promotion, revenue from FIT Products and ancillary travel related products and services decreased by 13.1% from approximately HK$87.8 million in 2016 to approximately HK$76.3 million in 2017 and gross profit decreased by 26.8% from approximately HK$52.9 million in 2016 to approximately HK$38.7 million in 2017 over the first six months of the respective periods.

Financial Review

Key Financial Ratios

	Six months ended 30 June	
	2017	2016 (Restated)
Operating profit margin	**4.5%**	2.0%
Net profit margin*	**4.0%**	1.8%
Return on total assets*	**4.0%**	1.9%
Return on equity attributable to owners of the Company*	**8.7%**	3.3%

	As at 30 June 2017	As at 31 December 2016
Current Ratio	**1.6 times**	1.7 times
Gearing Ratio	**15.3%**	8.4%

* *Profit in calculation refers to the profit for the period attributable to owners of the Company*

Revenue and Gross Profit

Please refer to the discussion on the Group's revenue and gross profit in the sub-section headed "Management Discussion and Analysis – Business Overview" above.

Selling Expenses

The key elements of selling expenses of the Group included frontline employee costs, advertising and promotion expenses for media advertising and promotional activities. With more publicity activities conducted in the premises of Group's facilities for cost-saving to a certain extent, such as promotional events held in branch offices and specialty shop, together with the decrease in front line employee costs, selling expenses of the Group decreased by 9.3% to approximately HK$44.8 million (six months ended 30 June 2016: HK$49.3 million).

Administrative Expenses

Employee costs, directors' remuneration, bank charges and rent and rates and management fee contributed to majority of the Group's administrative expenses, which represented 77.7% of total administrative expenses (six months ended 30 June 2016: 82.1% (restated)). The Group's administrative expenses decreased by 5.2%, from approximately HK$79.5 million in 2016 to approximately HK$75.3 million in 2017 over the first half of the corresponding periods, which was primarily attributable to the decrease in employee costs and bank charges as partially offset by increase in depreciation on property, plant and equipment mainly driven by branch office relocation, information system upgrade and purchase of vehicles for travel buses operation.

Finance Costs

Imputed interests of approximately HK$579,000 (equivalent to approximately JPY8.5 million) and approximately HK$52,000 (equivalent to approximately JPY0.7 million (restated)) incurred respectively for the six months ended 30 June 2017 and 2016 on the bank borrowings for the Hotel Development Project were capitalised into construction in progress. After capitalisation of the above-mentioned imputed interests, finance costs of approximately HK$9,000 was incurred during the first half of 2017 (six months ended 30 June 2016: Nil) on the bank borrowing which was used to finance the acquisition of one travel bus.

Operating Profit Margin and Net Profit Margin

Operating profit margin of the Group increased from 2.0% (restated) in 2016 to 4.5% in 2017, net profit margin increased from 1.8% (restated) in 2016 to 4.0% in 2017 over the first six months of the respective periods. Factors attributable to increase in the profit margins included mainly the increase in gross profit margin, cost-saving achieved in selling expenses and administrative expenses as mentioned above.

Current Ratio

As at 30 June 2017, the Group's current ratio was 1.6 times (as at 31 December 2016: 1.7 times). The slight decrease in current ratio was mainly attributable to decrease in inventories of approximately HK$8.8 million and increase in customer deposits received of approximately HK$57.7 million, net-off of the increase in cash at banks and on hand of approximately HK$59.7 million.

Gearing Ratio

The Group's gearing ratio was 15.3% (as at 31 December 2016: 8.4%) as the Group had further drawn down the bank borrowings for the Hotel Development Project and the acquisition of one travel bus.

Gearing ratio is calculated by dividing the total interest-bearing loans with the total assets as at the respective period or year ends.

Return on Total Assets and Return on Equity Attributable to Owners of the Company

Return on total assets and return on equity attributable to owners of the Company were 4.0% (six months ended 30 June 2016: 1.9% (restated)) and 8.7% (six months ended 30 June 2016: 3.3% (restated)) respectively. The increase in return on total assets and return on equity were mainly resulted from the effect of increase in profit attributable to owners of the Company. For the calculations above, total assets and equity attributable to owners of the Company as at 30 June 2016 have been restated as approximately HK$801.7 million and approximately HK$459.5 million respectively to reflect the acquisition of interest in Ebisu Growth Limited mentioned in note 2 to the interim financial information.

Capital Structure, Liquidity and Financial Resources

The total capital expenditure for the Hotel Development Project is estimated to be approximately JPY5,400.0 million (equivalent to approximately HK$371.9 million translated at the exchange rate of 0.06887 as at 30 June 2017) and the construction work is expected to be completed in the fourth quarter of 2017. As at 30 June 2017, the amount of capital expenditure of approximately JPY3,447.9 million (equivalent to approximately HK$237.5 million) has been paid. The Group financed such development costs through internal resources and bank financing.

The Group had withdrawn bank borrowings of approximately JPY25.0 million (equivalent to approximately HK$1.7 million) to finance the acquisition of one travel bus of approximately JPY 26.2 million (equivalent to approximately HK$1.8 million). Furthermore, the Group plans to acquire four additional travel buses of approximately JPY160.0 million (equivalent to approximately HK$11.0 million) in total in the second half of 2017 and to finance such acquisition mainly by bank borrowings.

Other than the Hotel Development Project and the acquisition of one travel bus, the Group financed its operation and acquisition of other property, plant and equipment with its own capital, with the total equity attributable to owners of the Company as at 30 June 2017 amounted to approximately HK$348.0 million (as at 31 December 2016: HK$321.1 million).

As at 30 June 2017, the Group's cash at banks and on hand amounted to approximately HK$320.6 million (as at 31 December 2016: HK$260.9 million). Cash at banks and on hand were mainly denominated in HKD accounting for approximately 73.8% (as at 31 December 2016: 69.6%), Macau Pataca accounting for approximately 5.7% (as at 31 December 2016: 8.7%), Renminbi accounting for approximately 4.7% (as at 31 December 2016: 5.7%) and JPY accounting for approximately 8.1% (as at 31 December 2016: 10.0%).

Pledge of Assets

As at 30 June 2017, the Group had pledged bank deposits of approximately HK$28.5 million (as at 31 December 2016: HK$22.5 million), majority of which were pledged to certain licensed banks in Hong Kong and Macau to secure letters of guarantee issued to certain third parties on behalf of the Group. The Group's total guarantees amounted to approximately HK$18.4 million (as at 31 December 2016: HK$17.9 million), which were mainly issued to the Group's suppliers, such as airlines and hotels, to guarantee the Group's trade payable balances due to the suppliers.

Also, as at 30 June 2017, property, plant and equipment of the Hotel Development Project of approximately HK$126.7 million (as at 31 December 2016: HK$120.6 million) were pledged for the related bank borrowings.

Save as disclosed above, the Group had no other pledge of assets as at 30 June 2017.

Capital Commitments and Future Capital Expenditures

As at 30 June 2017, the Group had capital commitments of approximately HK$101.6 million (as at 31 December 2016: HK$154.3 million), comprising capital expenditure for acquisition of property, plant and equipment and construction in progress of the Group.

The estimated capital expenditure for the Hotel Development Project is approximately JPY5,400.0 million (equivalent to approximately HK$371.9 million translated at the exchange rate of 0.06887 as at 30 June 2017) and the construction work is expected to be completed in the fourth quarter of 2017. As at 30 June 2017, the capital expenditure of approximately JPY1,952.1 million (equivalent to approximately HK$134.4 million) were estimated to be paid in the second half of 2017. The Group intends to finance such estimated development costs through internal resources and bank financing.

Future capital expenditures as stated in the sub-section headed "Management Discussion and Analysis – Use of proceeds from the IPO" of this announcement, such as refurbishment and face lifting of existing branches, development of a comprehensive online web portal, will be financed by proceeds from the IPO as intended.

For future capital expenditures other than the above-mentioned, the Group currently intends to finance such expenditures by internal resources.

Contingent Liabilities

The Directors considered that there were no material contingent liabilities as at 30 June 2017 (as at 31 December 2016: Nil).

Foreign Currency Exchange Risk and Treasury Policies

Foreign currency exchange risk exposure is encountered by the Group to the extent that receipt from customers and payments to suppliers may not be reconciled, subject to prevailing foreign currency fluctuations. Instead of relying on hedging arrangements, the Group had implemented foreign exchange risk management procedures to closely monitor the risk exposure. The procedures were established to prevent carrying excessive cash balance in foreign currencies, of which the purchase amounts were limited to the corresponding costs of travel elements based on estimated sales amount for a defined period (one week for JPY and two weeks for other foreign currencies), to cover the foreign exchange risk exposure in connection. The objective of our foreign exchange risk management procedures is to cover the foreign exchange risk exposure in connection with those costs of travel elements denominated in foreign currencies to be incurred for a defined period of not more than two weeks. The procedures do not allow us to exercise any judgement over the future direction of foreign exchange fluctuation and are strict procedural steps for our operational staff to follow.

Other than the transactional foreign currency exchange risk, assets and liabilities of the group entities are mainly denominated in its respective functional currency. The Group's treasury management policy is to place surplus cash into bank deposits with licensed banks in mainly Hong Kong, Macau and Japan. Also, working capital are centrally managed to ensure proper and efficient collection and deployment of funds, and sufficient funds to settle liabilities when they fall due. Net exchange gain of approximately HK$5.7 million was recorded in the first half of 2017 (six months ended 30 June 2016: HK$5.8 million).

Human Resources and Employee's Remuneration

As at 30 June 2017, the Group had a total workforce of 668 employees (as at 31 December 2016: 732), of which 211 (as at 31 December 2016: 218) were full-time tour escorts. Employees' remuneration packages are determined with reference to the market information and individual performance and will be reviewed on a regular basis. The remuneration policy will be reviewed by the Board from time to time. Emoluments of Directors are determined by the remuneration committee of the Board after considering the Group's operating results, individual performance and comparing with market conditions. In addition to basic remuneration, the Group also provides medical insurance, provident funds and other benefits in kind to the employees.

To intensify personnel training and development, the Group provides a series of employee training programmes, which aims to accelerate professional growth and identify competences and talents of diversified teams. Through operating talent development scheme and also Youth Upward Mobility Mentorship Program, the Group has successfully extended the recruitment channels and enhanced the opportunities on the hiring of high quality and suitable staff. High potential staff will be groomed and developed intensively according to the promotion plan towards the management level. To attract and retain the suitable personnel for the development of the Group, the Group has adopted a share option scheme ("Share Option Scheme") since November 2014. Pursuant to the Share Option Scheme, share options may be granted to eligible employees of the Group as a long-term incentive. No share options were granted, cancelled, lapsed or exercised in the first half of 2017. During the first half of 2017, there was no significant change in the remuneration policies, bonus, Share Option Scheme and training scheme of the Group.

Outlook

The Group has entered into new era of business development, with the aspiration to bring new opportunities and fruitful reward to the Group. Following the Hotel Development Project which is heading towards completion, our first hotel named “Osaka Hinode Hotel” is expected to commence its operation in the fourth quarter of 2017, which will bring synergy effect to the Group’s package tours and FIT products by providing guests with multifarious travel and accommodation experience. To bring more enjoyable travel experience to our guests, the Group plans to construct hot spring spa facilities for the hotel. In addition to hotel business, to strengthen the core competency of the Group, the Group plans to acquire additional travel buses and organise local tours in Japan to deliver our high quality services to free independent travellers.

USE OF PROCEEDS FROM THE IPO

The net proceeds from IPO of the Company after deducting underwriting commissions and related expenses were approximately HK$115.8 million. The following table sets forth the status of use of proceeds from IPO as at 30 June 2017:

		Utilised up to 30 June 2017 *HK$’000*	Unutilised as at 30 June 2017 *HK$’000*
Use of Proceeds			
(i)	Enhancing sales channel		
	– Refurbishment and face lifting of existing branches	**6,968**	2,232
	– Development of a comprehensive online web portal	**14,831**	2,569
(ii)	Promoting brand image and recognition through market initiatives		
	– Conducting marketing initiatives with focus on conventional media channels	**9,300**	–
	– Employing featured products or signature tours marketing campaigns with suitable spokespersons	**8,100**	–
	– Launching reward and incentive scheme	**876**	10,624
(iii)	Strengthening operational infrastructure		
	– Improving management information system by implementing enterprise resources planning system	**13,900**	–
	– Arranging charter flights to destination not served by scheduled flights	**25,400**	–
	– Attracting and recruiting experienced employees	**5,224**	576
(iv)	Developing overseas wedding tours	**5,700**	–
(v)	For working capital and other general corporate purposes	**9,500**	–
		99,799	16,001

As at 30 June 2017, the unutilised IPO net proceeds were deposited in interest-bearing bank accounts with licensed banks in Hong Kong.

OTHER INFORMATION

CORPORATE GOVERNANCE PRACTICES

The Company recognises the importance of corporate transparency and accountability. The Company is committed to achieving a high standard of corporate governance and leading the Group to attain better results and improve its corporate image with effective corporate governance procedures. During the six months ended 30 June 2017, the Board is of the opinion that the Company has complied with all the applicable code provisions as set out in the Corporate Governance Code contained in Appendix 14 to the Rules ("Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Stock Exchange").

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted The Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made a specific enquiry to all Directors regarding any non-compliance with the Model Code.

All the Directors confirmed that they have fully complied with the required standard set out in the Model Code during the six months ended 30 June 2017.

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

During the six months ended 30 June 2017, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

REVIEW BY AUDIT COMMITTEE AND AUDITOR

The interim results for the six months ended 30 June 2017 have been reviewed by the audit committee of the Board which comprises three independent non-executive Directors namely, Mr. Chan Kim Fai, Mr. Tang Koon Hung Eric and Ms. Wong Lai Ming.

The interim financial information of the Group for the six months ended 30 June 2017 has been reviewed by the Company's independent auditor, BDO Limited, 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.

INTERIM DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board declared an interim dividend of HK2.0 cents per share (2016: Nil) for the year ending 31 December 2017.

Relevant Dates for Interim Dividend Payment

	Hong Kong Time
Ex-dividend date	Thursday, 7 September 2017
Latest time to lodge transfer documents for registration with Company's registrar	At 4:30 pm on Friday, 8 September 2017
Closure of register of members	Monday, 11 September 2017 to Tuesday, 12 September 2017 (both dates inclusive)
Record date	Tuesday, 12 September 2017
Expected payment date	Friday, 29 September 2017

To qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with Company's registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than the aforementioned latest time.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.egltours.com/travel/pages/investor_relations/#eng.

The interim report of the Company will be despatched to the shareholders of the Company and published on the above websites in late September 2017.

On behalf of the Board
EGL Holdings Company Limited
YUEN Man Ying
Chairman and Executive Director

Hong Kong, 25 August 2017

As at the date of this announcement, the Board comprises four Executive Directors, namely Mr. Yuen Man Ying (Chairman), Mr. Huen Kwok Chuen, Mr. Leung Shing Chiu and Ms. Lee Po Fun, and three Independent Non-executive Directors, namely Mr. Chan Kim Fai, Mr. Tang Koon Hung Eric and Ms. Wong Lai Ming.