New Century Group Hong Kong Limited
新世紀集團香港有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 234)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

The board of directors (the "Board") of New Century Group Hong Kong Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2017.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2017

	Note	**Six months ended 30 September 2017 (Unaudited)** ***HK$'000***	Six months ended 30 September 2016 (Unaudited) *HK$'000*
REVENUE	4	**95,969**	93,649
Cost of services provided		**(12,167)**	(12,163)
Gross profit		**83,802**	81,486
Other income		**1,100**	484
Administrative expenses		**(11,970)**	(12,528)
Foreign exchange differences, net		**2,051**	(185)
Fair value gains on investment properties, net		**14,572**	3,940
Revaluation surplus on cruise ships, net		**355**	2,357
Finance costs		**(439)**	(514)
Loss on dissolution of a subsidiary		**–**	(242)

* *For identification purpose only*

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CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS *(continued)*

For the six months ended 30 September 2017

	Notes	**Six months ended 30 September 2017 (Unaudited)** ***HK$'000***	Six months ended 30 September 2016 (Unaudited) *HK$'000*
PROFIT BEFORE TAX	5	**89,471**	74,798
Income tax expense	6	**(413)**	(388)
PROFIT FOR THE PERIOD		**89,058**	74,410
Attributable to:			
Owners of the Company		**67,464**	52,020
Non-controlling interests		**21,594**	22,390
		89,058	74,410
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	7		
Basic		**HK1.17 cents**	HK0.90 cents
Diluted		**HK1.17 cents**	HK0.90 cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2017

	Six months ended 30 September 2017 (Unaudited) ***HK$'000***	Six months ended 30 September 2016 (Unaudited) *HK$'000*
PROFIT FOR THE PERIOD	**89,058**	74,410
OTHER COMPREHENSIVE INCOME		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Exchange differences:		
Reclassification adjustment for the dissolution of a foreign operation during the period	**–**	242
Exchange differences on translation of foreign operations	**11,876**	(4,498)
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	**11,876**	(4,256)
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:		
Surplus/(deficit) on revaluation of a cruise ship	**(5,382)**	4,474
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**6,494**	218
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**95,552**	74,628
Attributable to:		
Owners of the Company	**73,172**	51,593
Non-controlling interests	**22,380**	23,035
	95,552	74,628

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 September 2017

	Notes	**30 September 2017 (Unaudited)** ***HK$'000***	31 March 2017 (Audited) *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**268,868**	277,317
Investment properties		**649,825**	630,860
Available-for-sale investment		**780**	780
Total non-current assets		**919,473**	908,957
CURRENT ASSETS			
Trade receivables	8	**18,513**	6,054
Derivative financial instruments		**242**	159
Prepayments, deposits and other receivables	8	**2,265**	4,606
Equity investments at fair value through profit or loss		**315,467**	422,001
Tax recoverable		**2,843**	2,843
Cash and cash equivalents		**559,027**	389,363
Total current assets		**898,357**	825,026
CURRENT LIABILITIES			
Derivative financial instruments		**1,302**	839
Interest-bearing bank and other borrowings		**836**	2,245
Accruals, other payables and deposits received	9	**27,286**	39,436
Amount due to a related company		**9**	–
Total current liabilities		**29,433**	42,520
NET CURRENT ASSETS		**868,924**	782,506
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,788,397**	1,691,463

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

30 September 2017

	Note	**30 September 2017 (Unaudited)** ***HK$'000***	31 March 2017 (Audited) *HK$'000*
NON-CURRENT LIABILITIES			
Interest-bearing bank and other borrowings		**21,450**	21,138
Loan advanced from a non-controlling shareholder of the Group's subsidiary		**171,823**	171,823
Deposits received	9	**3,782**	3,123
Deferred tax liabilities		**3,522**	3,111
Total non-current liabilities		**200,577**	199,195
Net assets		**1,587,820**	1,492,268
EQUITY			
Equity attributable to owners of the Company			
Issued capital		**14,451**	14,451
Reserves		**1,533,214**	1,460,042
		1,547,665	1,474,493
Non-controlling interests		**40,155**	17,775
Total equity		**1,587,820**	1,492,268

Notes:

1. BASIS OF PREPARATION

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

The unaudited condensed consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 March 2017.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are the same as those used in the annual consolidated financial statements for the year ended 31 March 2017, except as described below. In the current period, the Group has applied, for the first time, the following revised Hong Kong Financial Reporting Standards ("HKFRSs", which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by the HKICPA which are effective for the Group's financial years beginning on or after 1 April 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 2014-2016 Cycle*	*Disclosure of Interests in Other Entities*

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

3. OPERATING SEGMENT INFORMATION

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

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

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

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

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

There were no intersegment sales and transfers during the period (2016: Nil).

	Cruise ship charter services Six months ended 30 September		**Property investments Six months ended 30 September**		**Securities trading Six months ended 30 September**		**Total Six months ended 30 September**	
	2017	2016	**2017**	2016	**2017**	2016	**2017**	2016
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)	**(Unaudited)**	(Unaudited)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment revenue	**46,853**	53,699	**10,759**	10,270	**38,357**	29,680	**95,969**	93,649
Segment results	**35,610**	43,336	**23,176**	11,582	**39,023**	29,635	**97,809**	84,553
Reconciliation:								
Interest income							**985**	455
Corporate and other unallocated expenses							**(8,884)**	(9,696)
Finance costs							**(439)**	(514)
Profit before tax							**89,471**	74,798

4. **REVENUE**

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

5. **PROFIT BEFORE TAX**

The Group's profit before tax is arrived at after charging:

	Six months ended 30 September 2017 (Unaudited)	Six months ended 30 September 2016 (Unaudited)
	HK$'000	*HK$'000*
Depreciation	**12,697**	12,667
Employee costs	**6,693**	6,617

6. **INCOME TAX**

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

	Six months ended 30 September 2017 (Unaudited)	Six months ended 30 September 2016 (Unaudited)
	HK$'000	*HK$'000*
Current – Hong Kong		
Charge for the period	**–**	70
Current – Elsewhere		
Underprovision/(overprovision) in prior years	**2**	(23)
Deferred	**411**	341
Total tax charge for the period	**413**	388

7. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the Company, and the number of ordinary shares of 5,780,368,705 (2016: 5,780,368,705) in issue during the period.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 30 September 2017 and 30 September 2016 in respect of a dilution as the impact of the share options outstanding has an anti-dilutive effect on the basic earnings per share amounts presented.

The calculations of the basic and diluted earnings per share are based on:

	Six months ended 30 September 2017 (Unaudited) *HK$'000*	Six months ended 30 September 2016 (Unaudited) *HK$'000*
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic earnings per share calculation	**67,464**	52,020

	Six months ended 30 September 2017 (Unaudited)	Six months ended 30 September 2016 (Unaudited)
Shares		
Number of ordinary shares in issue during the period, used in the basic earnings per share calculation	**5,780,368,705**	5,780,368,705

8. TRADE RECEIVABLES, PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

The Group's billing terms with customers are mainly on credit. Invoices are normally payable within 30 days of issuance. Each customer has a maximum credit limit. The Group seeks to maintain strict control over their outstanding receivables. Overdue balances are regularly reviewed by senior management. The main type of collateral held by the Group as security is deposits received from tenants and charterers with an aggregate fair value of approximately HK$18,194,000 (31 March 2017: HK$1,644,000). Except trade receivables of approximately HK$964,000 (31 March 2017: HK$5,497,000) that are interest-bearing at fixed rates, the trade receivables are non-interest-bearing.

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

	30 September 2017 (Unaudited)	31 March 2017 (Audited)
	HK$'000	*HK$'000*
Within 1 month	**9,865**	6,054
1 to 2 months	**8,648**	–
Trade receivables	**18,513**	6,054
Prepayments, deposits and other receivables	**2,265**	4,606
	20,778	10,660

Certain subsidiaries have pledged trade receivables of approximately HK$146,000 (31 March 2017: HK$119,000) to secure bank loans granted.

9. ACCRUALS, OTHER PAYABLES AND DEPOSITS RECEIVED

	30 September 2017 (Unaudited)	31 March 2017 (Audited)
	HK$'000	*HK$'000*
Accruals	**5,152**	2,137
Other payables and deposits received	**25,916**	40,422
	31,068	42,559
Portion classified as non-current liabilities	**(3,782)**	(3,123)
Current portion	**27,286**	39,436

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

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2017 (2016: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

In 2017, the global economy continues to gain new momentums aided by the spread of capitalism and technology, countries have been increasingly knit together by trade, finance and the internet. The implementation of cross-border stock connect programs have further improved market sentiment between China and Hong Kong. Together with the team of experienced executives, favorable market environment, strong capital base and risk control capabilities of the Group, the Group achieved satisfactory results for the interim period, especially across securities trading and property investments.

The Board is confident that its prudent investment strategy and solid business model allow the Group to overcome the challenges and explore new opportunities through closely monitoring the latest market trend of each business segment. The Group will continue to capture business opportunities and keep pace with the global market. We are pleased to announce the Group's interim results and will continue to create value-added returns for our shareholders.

Results

The Group recorded an increase in revenue from HK$93,649,000 for the corresponding period of last year to HK$95,969,000 for the six months ended 30 September 2017 (the "Period"). The increase was contributed by the net effect of (i) increase in net realized and unrealized fair value gains of equity investments at fair value through profit or loss from HK$15,214,000 for last period to HK$28,342,000 for the Period; (ii) decrease in dividend income from equity investments at fair value through profit or loss from HK$13,465,000 for last period to HK$10,395,000 for the Period; and (iii) decrease in charter service income from HK$53,699,000 for last period to HK$46,853,000 for the Period. Together with the net fair value gains on investment properties of HK$14,572,000 (2016: HK$3,940,000), profit attributable to owners of the Company was HK$67,464,000 (2016: HK$52,020,000). Basic earnings per share amounted to HK1.17 cents (2016: HK0.90 cents per share).

Operations

Cruise Ship Charter Services

Charter services of the three cruise ships, namely "Leisure World", "Amusement World" and "Aegean Paradise", recorded revenue of HK$46,853,000 for the Period (2016: HK$53,699,000) and a segment profit of HK$35,610,000 (2016: HK$43,336,000). Such decreases in both revenue and profit were mainly due to that "Leisure World" entered dry dock for two months after a fire incident on 11 May 2017. Yet, all such dry dock costs incurred were borne by the charterer. As at 30 September 2017, net revaluation surplus of HK$355,000 (2016: HK$2,357,000) was recorded for "Leisure World" and "Amusement World" in the consolidated statement of profit or loss.

Property Investments

For the Period, the property investments segment showed gradual improvement with a 4.8% increase in revenue to HK$10,759,000 (2016: HK$10,270,000). An increase of 2.8% to HK$9,979,000 (2016: HK$9,710,000) was recorded in rental income from investment properties in Hong Kong due to an increase in rental rate in certain tenancies. Rental income from Singapore properties also increased 39.3% to HK$780,000 (2016: HK$560,000), due to the improvement in occupancy rate. In general, the investment properties achieved excellent occupancy rate of 98% (31 March 2017: 95%), while the average annual rental yield stood at 3.3% (31 March 2017: 3.3%).

During the period under review, net fair value gains on investment properties recorded a sharp increase to HK$14,572,000 (2016: HK$3,940,000). Among which, there were fair value gains of HK$21,400,000 (2016: fair value losses of HK$7,500,000) on Hong Kong properties and fair value losses of HK$6,828,000 (2016: fair value gains of HK$11,440,000) on Singapore properties. For the Period, profit from the property investments segment doubled to HK$23,176,000 (2016: HK$11,582,000).

Securities Trading

Over the Period, major profit contribution was from the Group's securities trading segment which consists mainly of blue chips in the Hong Kong and Singapore stock markets. Boosted by the positive investment sentiment, the Company recorded an increase of 31.7% in segment profit to HK$39,023,000 during the Period (2016: HK$29,635,000), which proved the Group's proactive yet prudent investment strategy has remained sound and solid. Capitalizing on the strength and growth of stock market, both Hong Kong's and Singapore's equity market experienced steady growth during the Period. Segment revenue increased by 29.2% to HK$38,357,000 (2016: HK$29,680,000).

The Group remained prudent in all investment and business decisions, by keeping a portfolio of less volatile equities of blue chips in Hong Kong and Singapore, in a result of (i) net realized gains on disposal of equity investments of HK$33,190,000 (2016: net realized losses of HK$19,981,000); (ii) net unrealized losses of equity investments at fair value through profit or loss of HK$4,848,000 (2016: net unrealized gains of HK$35,195,000); (iii) dividend income from equity investments at fair value through profit or loss of HK$10,395,000 (2016: HK$13,465,000); and (iv) net fair value losses on derivative financial instruments of HK$380,000 (2016: net fair value gains of HK$1,001,000).

As at 30 September 2017, the Group's equity investments at fair value through profit or loss amounted to HK$315,467,000. There were no equity investments held by the Group which value was more than 5% of the net assets of the Group.

Name of stock listed on the stock exchange of Hong Kong (Stock Code)	Number of shares held as at 30 September 2017	Percentage of shareholding held as at 30 September 2017	Investment cost as at 30 September 2017 *HK$'000*	Market value as at 30 September 2017 *HK$'000*	Percentage to net assets value of the Group as at 30 September 2017
CK Hutchison Holdings Limited (0001)	80,000	0.0021	7,832	7,988	0.50
The Hong Kong and China Gas Company Limited (0003)	160,000	0.0011	1,395	2,349	0.15
Henderson Land Development Company Limited (0012)	120,000	0.0030	5,166	6,210	0.39
Sun Hung Kai Properties Limited (0016)	40,000	0.0014	4,786	5,076	0.32
CITIC Limited (0267)	400,000	0.0014	4,594	4,616	0.29
Hong Kong Exchanges and Clearing Limited (0388)	14,010	0.0011	2,481	2,942	0.18
China Construction Bank Corporation (0939)	7,858,800	0.0033	44,501	50,925	3.21
China Mobile Limited (0941)	292,960	0.0014	24,394	23,188	1.46
Industrial and Commercial Bank of China Limited (1398)	2,401,000	0.0028	11,894	13,926	0.88
Country Garden Holdings Company Limited (2007)	230,000	0.0011	631	2,857	0.18
Ping An Insurance (Group) Company of China, Ltd. (2318)	399,600	0.0054	17,224	23,956	1.51
Tracker Fund of Hong Kong (2800)	700,000	0.0216	16,713	19,880	1.25
Bank of China Limited (3988)	8,439,600	0.0101	29,374	32,492	2.05
Total for equity investments in Hong Kong			170,985	196,405	12.37

Name of stock listed on the stock exchange of Singapore (ISIN Code)	Number of shares held as at 30 September 2017	Percentage of Shareholding held as at 30 September 2017	Investment cost as at 30 September 2017 *(equivalent to)* *HK$'000*	Market value as at 30 September 2017 *(equivalent to)* *HK$'000*	Percentage to net assets value of the Group as at 30 September 2017
CapitaLand Mall Trust (SG1M51904654)	1,200,000	0.0338	14,262	13,800	0.87
DBS Group Holdings Ltd (SG1L01001701)	80,000	0.0031	7,160	9,577	0.60
Genting Singapore PLC (GB0043620292)	1,000,000	0.0083	6,173	6,727	0.42
Keppel Corporation Limited (SG1U68934629)	640,000	0.0353	23,618	23,883	1.51
Oversea-Chinese Banking Corporation Limited (SG1S04926220)	80,000	0.0019	4,011	5,134	0.32
Singapore Exchange Limited (SG1J26887955)	600,000	0.0560	25,763	25,495	1.61
Singapore Press Holdings Limited (SG1P66918738)	800,000	0.0500	12,457	12,512	0.79
Singapore Telecommunications Limited (SG1T75931496)	400,000	0.0024	8,802	8,464	0.53
Suntec Real Estate Investment Trust (SG1Q52922370)	500,000	0.0189	5,330	5,362	0.34
United Overseas Bank Limited (SG1M31001969)	60,000	0.0036	6,350	8,108	0.51
Total for equity investments in Singapore			113,926	119,062	7.50
Grand total for equity investments at fair value through profit or loss			284,911	315,467	19.87

Information on the performance of the Group's equity investments for the six months ended 30 September 2017 was as below:

	Net realized gains on disposal for the six months ended 30 September 2017	**Net unrealized fair value losses for the six months ended 30 September 2017**	**Dividend income for the six months ended 30 September 2017**
	HK$'000	*HK$'000*	*HK$'000*
Stocks listed on the stock exchange of Hong Kong	26,201	(661)	7,685
Stocks listed on the stock exchange of Singapore	6,989	(4,187)	2,710
Total	33,190	(4,848)	10,395

Contingent Liabilities

As at 30 September 2017, the Company had outstanding guarantees of HK$215,875,000 (31 March 2017: HK$194,870,000) given to banks to secure general credit facilities for certain subsidiaries. Credit facilities in an aggregate amount of HK$22,286,000 (31 March 2017: HK$22,853,000) had been utilized by the subsidiaries from such guarantees at the end of the reporting period.

Charge on the Group's Assets

As at 30 September 2017, some of the Group's land and building and investment properties with an aggregate carrying amount of HK$448,550,000 (31 March 2017: HK$430,101,000), some of the Group's trade receivables (rental) with a carrying amount of HK$146,000 (31 March 2017: HK$119,000) and the Group's equity investments with a carrying amount of HK$315,467,000 (31 March 2017: HK$422,001,000) were pledged to banks and securities dealers for loan facilities worth HK$323,473,000 (31 March 2017: HK$335,486,000) granted to the Group. As at 30 September 2017, HK$22,286,000 (31 March 2017: HK$23,383,000) of the loan facilities had been utilized by the Group.

Liquidity and Financial Resources

As at 30 September 2017, the Group had net current assets of HK$868,924,000 (31 March 2017: HK$782,506,000) and equity attributable to owners of the Company worth HK$1,547,665,000 (31 March 2017: HK$1,474,493,000).

The Group's total indebtedness (representing the aggregate amount of interest-bearing loans from banks and securities dealers) was HK$22,286,000 (31 March 2017: HK$23,383,000), which was denominated in Singapore dollar (31 March 2017: Singapore dollar and Hong Kong dollar) and charged at floating interest rates. It was secured by mortgage over the Group's investment properties with a carrying amount of HK$128,225,000 (31 March 2017: HK$324,660,000) and assignment of some of the Group's trade receivables (rental) with a carrying amount of HK$146,000 (31 March 2017: HK$119,000).

Regarding total indebtedness, HK$836,000 (31 March 2017: HK$2,245,000) will be repayable within one year or on demand, HK$3,553,000 (31 March 2017: HK$3,428,000) will be repayable from the second to fifth years and the remaining balance of HK$17,897,000 (31 March 2017: HK$17,710,000) will be repayable after five years.

The Group's gearing ratio (total indebtedness divided by equity attributable to owners of the Company) at the end of the reporting period remained as 0.01 (31 March 2017: 0.02).

Exposure to Equity Prices, Foreign Exchange and Interest Rate Risks

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

As at 30 September 2017, the Group's cash and cash equivalents were held predominately in Hong Kong dollar, Singapore dollar and United States dollar. The Group's borrowing was denominated in Singapore dollar at floating interest rate. The Group has an exposure to the risk of change in interest rate arising primarily from its long-term debt obligation with floating interest rate. In the opinion of the directors, the Group has no significant interest rate risk. The Group currently does not have a foreign currency hedging policy. However, the management closely monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Human Resources

As at 30 September 2017, the Group had a total of 23 staff in Hong Kong. Remuneration packages for employees and directors are structured according to market terms as well as individual performance and experience. Benefits plans maintained by the Group include mandatory provident fund scheme, medical insurance, share option scheme and discretionary bonuses. As at 30 September 2017, the Group had 386,640,000 outstanding share options granted to eligible directors and employees of the Group.

Prospects

With countries at present facing economic transformation, differing stances of monetary and fiscal policy remain appropriate. Policy decisions will therefore be crucial in shaping the trade structure and economic landscape. Tapping into the future, policies and presidencies of countries would bring profound impacts on the global economy, presenting China and the rest of the world's financial markets with a range of new possibilities including constraints and opportunities. The Group remains fully confident in the prospects of the national and local economy, and will press ahead steadily with a broad vision to capture business opportunities that may arise.

To cater to our business development, a range of management strategies in relation to our internal structure and resource optimization have been implemented. In an ever-changing marketplace, it is imperative that we constantly seek to adapt. The Group will closely monitor market trends and manage its business portfolio cautiously. Riding on the Group's strong base of capital, assets and resources, we will continue to pursue the mission to create long-term value for its shareholders.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE

The Company has complied with all the code provisions of the Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2017.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by the directors of the Company. Having made specific enquiry of all directors of the Company, all of them confirmed that they have complied with the required standard set out in the Model Code during the six months ended 30 September 2017.

REVIEW OF INTERIM RESULTS

The unaudited interim results for the six months ended 30 September 2017 have been reviewed by the auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The Board, through the audit committee, has also conducted a review of the internal control and the interim report for the six months ended 30 September 2017.

On behalf of the Board
Ng Wee Keat
Chairman

Hong Kong, 28 November 2017

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