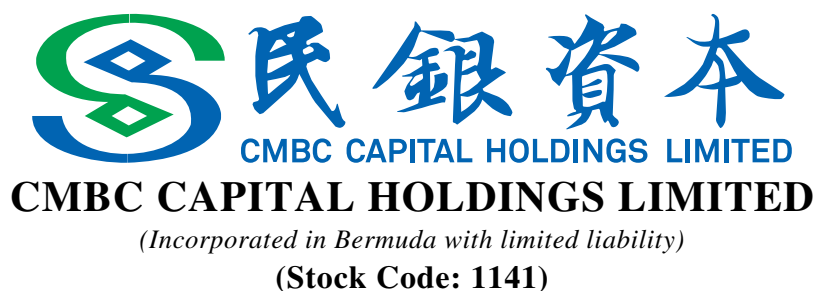


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**ANNUAL RESULTS
FOR THE NINE MONTHS ENDED 31 DECEMBER 2017**

The board (the “Board”) of directors (the “Directors”) of CMBC Capital Holdings Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the nine months ended 31 December 2017 (the “Reporting Period”), with the comparative figures for the year ended 31 March 2017, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the nine months ended 31 December 2017

		9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000 (Restated)
	<i>Notes</i>		
Continuing operations			
Revenue	4	165,180	83,705
Net gains/(losses) on investments at fair value through profit or loss		68,610	(67,852)
Other income		3,810	17,650
Other gains and losses	5	(1,951)	(318,731)
Administrative expenses		(76,702)	(96,922)
Finance costs	6	(29,044)	(20,895)
Impairment loss in respect of goodwill		–	(535,054)
Impairment loss in respect of intangible assets		–	(104,596)
Profit/(loss) before taxation from continuing operations	7	129,903	(1,042,695)
Taxation	8	(11,540)	(5,342)
Profit/(loss) for the period/year from continuing operations		118,363	(1,048,037)
Discontinued operations			
(Loss)/profit for the period/year from discontinued operations	9	(95)	5,939
Profit/(loss) for the period/year		118,268	(1,042,098)
Profit/(loss) for the period/year attributable to owners of the Company		118,268	(1,042,098)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Unrealised loss on available-for-sale investments		(60)	–
Total comprehensive income for the period/year attributable to owners of the Company		118,208	(1,042,098)
Earnings/(loss) per share (HK cents per share)	10		
From continuing and discontinued operations			
– Basic		0.30	(6.73)
– Diluted		0.30	(6.73)
From continuing operations			
– Basic		0.30	(6.77)
– Diluted		0.30	(6.77)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2017

		As at 31 December 2017 <i>HK\$'000</i>	As at 31 March 2017 <i>HK\$'000</i>
	<i>Notes</i>		
Non-current assets			
Property, plant and equipment		4,596	4,210
Investment property		–	410,000
Goodwill		16,391	16,391
Intangible assets		6,216	7,244
Available-for-sale investments	12	829,965	–
Loans and advances	14	449,450	–
Other assets		9,230	10,046
		<u>1,315,848</u>	<u>447,891</u>
Current assets			
Accounts receivable	13	827,121	698,057
Prepayments, deposits and other receivables		1,546	2,242
Interests receivable		10,525	–
Loans and advances	14	1,212,426	–
Investments at fair value through profit or loss	15	1,330,479	379,107
Cash and bank balances			
– Segregated accounts		490,141	75,655
– House accounts		126,761	132,324
		<u>3,998,999</u>	<u>1,287,385</u>

		As at 31 December 2017 HK\$'000	As at 31 March 2017 HK\$'000
	Notes		
Current liabilities			
Accounts payable	16	319,176	106,103
Other payables and accruals		191,197	47,884
Amount due to an intermediate holding company		7,197	–
Bank and other borrowings	17	3,351,038	8,455
Bank overdrafts		–	44,908
Tax payable		9,423	34,042
Financial assets sold under repurchase agreements		7,966	–
		<u>3,885,997</u>	<u>241,392</u>
Net current assets		<u>113,002</u>	<u>1,045,993</u>
Total assets less current liabilities		<u>1,428,850</u>	<u>1,493,884</u>
Non-current liabilities			
Bank and other borrowings	17	–	169,807
Notes payable		148,400	147,811
Promissory notes		–	27,056
Deferred tax liabilities		264	361
		<u>148,664</u>	<u>345,035</u>
Net assets		<u>1,280,186</u>	<u>1,148,849</u>
Capital and reserves			
Share capital	18	457,787	180,198
Reserves		822,399	968,651
Total equity		<u>1,280,186</u>	<u>1,148,849</u>

Notes:

1 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) and by the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared on the historical cost basis, except for investment property and certain financial instruments that are measured at fair values at the end of each reporting period.

2 APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these impact on the accounting policies of the Group. However, the new disclosure requirements introduced by the amendments to HKAS 7, Statement of cash flows: Disclosure initiative, require entities 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 Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 SEGMENT INFORMATION

In a manner consistent with the way in which information is reported internally to the chief operating decision makers for the purpose of resources allocation and performance assessment, the Group is currently organised into the following operating segments:

- the securities segment representing the business line of provision of brokerage services, securities margin financing services, futures and options contracts dealing services to clients and securities underwriting;
- the investment and financing segment representing investment and trading activities in equity securities, futures, bonds, funds and provision of loan financing services; and
- the asset management and advisory segment representing the provision of asset management services, financial advisory and financial arrangement services to clients.

The real estate segment was discontinued in the current period. The segment information reported does not include any amounts for the discontinued operations, which are described in more details in note 9. Accordingly, the segment information for the year ended 31 March 2017 has been restated.

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 2017				
	Securities	Investment	Asset	Total
	and financing	management	and advisory	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Continuing operations				
Segment revenue				
– Revenue from external customers	73,059	49,069	43,052	165,180
– Net gains on investments at fair value through profit or loss	–	68,610	–	68,610
	73,059	117,679	43,052	233,790
Segment results	49,137	91,933	39,783	180,853
Unallocated other income				420
Unallocated other gains and losses				(1,484)
Unallocated expenses				(41,200)
Unallocated finance costs				(8,686)
Profit before taxation				129,903

For the year ended 31 March 2017			
(Restated)			
	Securities	Investment	Total
	and financing		
	HK\$'000	HK\$'000	HK\$'000
Continuing operations			
Segment revenue			
– Revenue from external customers	83,705	–	83,705
– Net gains/(losses) on investments at fair value through profit or loss	103,917	(159,301)	(55,384)
	187,622	(159,301)	28,321
Segment results	(460,403)	(160,612)	(621,015)
Unallocated other income			12,584
Unallocated other gains and losses			(370,263)
Unallocated expenses			(43,106)
Unallocated finance costs			(20,895)
Loss before taxation			(1,042,695)

Segment assets and liabilities

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

	As at 31 December 2017			
	Securities	Investment	Asset	Total
	HK\$'000	and financing	management	HK\$'000
		HK\$'000	and advisory	
			HK\$'000	
Assets				
Segment assets	1,364,640	3,867,092	8,470	5,240,202
Unallocated assets:				
– Property, plant and equipment				4,189
– Prepayments, deposits and other receivables				8,392
– Cash and bank balances				62,064
				74,645
Total				5,314,847
Liabilities				
Segment liabilities	730,470	3,129,421	2,146	3,862,037
Unallocated liabilities:				
– Other payables and accruals				21,460
– Notes payable				148,400
– Deferred tax liabilities				264
– Tax payable				2,500
				174,624
Total				4,034,661

As at 31 March 2017 (Restated)			
	Securities	Investment and financing	Total
	HK\$'000	HK\$'000	HK\$'000
Assets			
Segment assets	843,921	379,107	1,223,028
Unallocated assets:			
– Property, plant and equipment			3,405
– Prepayments, deposits and other receivables			8,650
– Cash and bank balances			89,222
			101,277
Assets relating to discontinued operations			410,971
Total			1,735,276
Liabilities			
Segment liabilities	164,264	–	164,264
Unallocated liabilities:			
– Other payables and accruals			35,269
– Notes payable			147,811
– Promissory notes			27,056
– Deferred tax liabilities			361
– Tax payable			34,042
			244,539
Liabilities relating to discontinued operations			177,624
Total			586,427

Geographical information

The Group's continuing operations are carried out in Hong Kong.

The Group's revenue from continuing operations from external customers and its non-current assets are located in Hong Kong.

Information about major customers

Revenue of approximately HK\$23,591,000 for the period ended 31 December 2017 was derived from loan financing service to a customer and accounted for more than 10% of the total revenue.

No customer contributed over 10% of the total revenue of the Group during the year ended 31 March 2017.

4 REVENUE

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000 (Restated)
Continuing operations		
Commission income from brokerage and related services	5,036	20,106
Commission income from underwriting, sub-underwriting, placing and sub-placing	26,035	6,737
Interest income from available-for-sale ("AFS") investments	17,295	–
Interest income from provision of finance and securities margin financing	47,391	56,862
Dividend income from investments at fair value through profit or loss	10,424	–
Financial advisory, arrangement fee and other service income	58,999	–
	<u>165,180</u>	<u>83,705</u>

5 OTHER GAINS AND LOSSES

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000 (Restated)
Continuing operations		
Impairment loss (recognised)/reversed in respect of accounts receivable	(300)	39,072
Impairment loss recognised in respect of AFS investments	–	(12,468)
Change in fair value of contingent consideration	–	(67,934)
Loss on early settlement of promissory notes	(2,852)	(41,428)
Loss on disposal of subsidiaries (<i>note 19(b)</i>)	(789)	–
Loss on disposal of property, plant and equipment	(7)	(25)
Loss on disposal of AFS investments	–	(235,750)
Other gains on purchase of group companies	1,477	–
Net exchange gain/(loss)	520	(198)
	<u>(1,951)</u>	<u>(318,731)</u>

6 FINANCE COSTS

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000
Continuing operations		
Interest expense on:		
Notes payable	6,239	8,238
Promissory notes	348	4,067
Borrowings and bank overdrafts	2,439	8,590
Financial assets sold under repurchase agreements	8	–
Loans from an intermediate holding company	20,010	–
	<u>29,044</u>	<u>20,895</u>

7 PROFIT/(LOSS) BEFORE TAXATION FROM CONTINUING OPERATIONS

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000 (Restated)
Profit/(loss) before taxation from continuing operations is arrived at after charging:		
Staff costs (including directors' remuneration):		
Wages and salaries	34,239	18,798
Retirement benefits contributions	616	678
Total staff costs	<u>34,855</u>	<u>19,476</u>
Auditor's remuneration	2,749	2,813
Depreciation of property, plant and equipment	867	777
Amortisation of intangible assets	1,028	24,133
Minimum lease payments in respect of land and buildings	<u>9,366</u>	<u>12,051</u>

8 TAXATION

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000
Continuing operations		
Current tax:		
Hong Kong Profits Tax	11,651	34,564
(Over)/under provision in prior years	(14)	443
	<u>11,637</u>	<u>35,007</u>
Deferred tax:		
Origination and reversal of temporary differences	(97)	(29,665)
	<u>11,540</u>	<u>5,342</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both the nine months ended 31 December 2017 and the year ended 31 March 2017.

9 DISCONTINUED OPERATIONS

On 9 May 2017, the Group completed the disposal of 100% equity interest in Sky Eagle Global Limited (“Sky Eagle”) and a mortgage loan amounting to approximately HK\$177,000,000 for cash consideration of HK\$227,000,000. The only significant asset of Sky Eagle and its subsidiary, Metro Victor Limited (“Metro Victor”), is an investment property. Sky Eagle and Metro Victor carried out all of the Group’s real estate operation.

During the year ended 31 March 2017, the Group entered into sale agreements to dispose of its 100% equity interest in Poly Resources (Asia) Limited and Poly Forestry International Limited (collectively the “Disposing Subsidiaries”) that carried out all of the Group’s supply and procurement operations at a consideration of HK\$863,000. The disposal was completed on 29 September 2016, on which date the Group lost control of the Disposing Subsidiaries.

The profit or loss for the period/year from the discontinued operations is set out below. The comparative figures in the consolidated statement of profit or loss and other comprehensive income have been restated to re-present the real estate, supply and procurement operations as discontinued operations.

The results of the discontinued operations for the current period and preceding year were as follows:

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000
Revenue	450	3,832
Other gains and losses	–	7,000
Administrative expenses	(128)	(1,451)
Finance costs	(417)	(3,442)
(Loss)/profit before taxation	(95)	5,939
Taxation	–	–
(Loss)/profit for the period/year	(95)	5,939

During the current period and preceding year, the net operating cash flows contributed by real estate and supply and procurement operations to the Group are insignificant.

10 EARNINGS/(LOSS) PER SHARE

From continuing and discontinued operations

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

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000
Profit/(loss) attributable to owners of the Company for the purpose of basic and diluted earnings/(loss) per share	118,268	(1,042,098)

	9 months from 1 April 2017 to 31 December 2017 '000	Year from 1 April 2016 to 31 March 2017 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	39,750,068	15,476,230
Effect of dilutive potential ordinary shares:		
Warrants	<u>–</u>	<u>889,828</u>
Weighted average number of ordinary shares for the purpose of diluted earnings/(loss) per share	<u>39,750,068</u>	<u>16,366,058</u>

From continuing operations

The calculation of the basic and diluted earnings/(loss) per share from continuing operations attributable to the owners of the Company is based on the following information:

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000 (Restated)
Profit/(loss) figures are calculated as follow:		
Profit/(loss) for the period/year attributable to the owners of the Company	118,268	(1,042,098)
Add: Loss/(profit) for the period/year from discontinued operations	<u>95</u>	<u>(5,939)</u>
Profit/(loss) for the purpose of basic and diluted earnings/(loss) per share from continuing operations	<u>118,363</u>	<u>(1,048,037)</u>

The denominators used are the same as those detailed above for the basic and diluted earnings/(loss) per share.

There was no dilutive items during the period ended 31 December 2017. The computation of diluted loss per share for the year ended 31 March 2017 does not assume the exercise of the Company's outstanding share options and warrants since their exercise would result in a decrease in loss per share.

From discontinued operations

Basic and diluted loss per share from the discontinued operations is HK0.0002 cents per share (for the year ended 31 March 2017: Basic and diluted earnings are HK0.0384 cents and HK0.0363 cents per share), based on the loss for the period from discontinued operations of HK\$95,000 (for the year ended 31 March 2017: profit of HK\$5,939,000) and the denominators detailed above for the basic and diluted earnings or loss per share.

There was no dilutive items during the period ended 31 December 2017. The computation of diluted earnings per share for the year ended 31 March 2017 does not assume the exercise of the Company's outstanding share options as the exercise price of the share options was higher than the average market price for the year ended 31 March 2017.

11 DIVIDENDS

	9 months from 1 April 2017 to 31 December 2017 HK\$'000	Year from 1 April 2016 to 31 March 2017 HK\$'000
Special cash dividend	612,876	–
Distribution in specie	424,212	–
	<u>1,037,088</u>	<u>–</u>

A special cash dividend of HK\$0.03255 per share was paid in cash to the shareholders whose names are registered on the register of members of the Company on 10 May 2017. The special dividend in aggregate amount of approximately HK\$612,876,000 was paid on 24 May 2017.

The Company also declared a dividend by way of distribution in specie for certain listed equity securities listed in Hong Kong held by the Group to the shareholders whose names are registered on the register of members of the Company on 10 May 2017. The distribution in specie in aggregate amount of approximately HK\$424,212,000 was completed on 26 May 2017.

12 AVAILABLE-FOR-SALE INVESTMENTS

	As at 31 December 2017 HK\$'000	As at 31 March 2017 HK\$'000
Listed debt instruments, at fair value	<u>829,965</u>	<u>–</u>

13 ACCOUNTS RECEIVABLE

	As at 31 December 2017 HK\$'000	As at 31 March 2017 HK\$'000
Accounts receivable arising from the ordinary course of business of securities brokerage, futures and options dealing services:		
– Clearing houses	203	18,778
– Cash clients	311	23,313
– Margin clients	814,313	647,879
– Brokers	5	8,087
	<u>814,832</u>	<u>698,057</u>
Accounts receivable arising from the ordinary course of business of securities underwriting	9,776	–
Accounts receivable arising from the ordinary course of business of advisory services	<u>2,813</u>	<u>–</u>
Provision for impairment on accounts receivable from cash clients	<u>(300)</u>	<u>–</u>
	<u>827,121</u>	<u>698,057</u>

Accounts receivable arising from the business of dealing in securities

The Group seeks to maintain tight control over its outstanding accounts receivable and has procedures and policies to assess its clients' credit quality and defines credit limits for each client. All client acceptances and credit limit are approved by designated approvers according to the clients' credit worthiness.

The normal settlement terms of accounts receivable from clients and clearing house, except for accounts receivable due from margin clients, arising from the ordinary course of business of securities brokerage services are two trading days after the trade date.

Accounts receivable due from cash clients

Accounts receivable due from cash clients are secured by clients' securities, which are publicly traded equity securities listed in Hong Kong. The fair values of the securities as at 31 December 2017 approximate HK\$81,997,000 (31 March 2017: HK\$812,078,000).

As at 31 December 2017, the directors of the Company consider the balance due from cash clients is insignificant. As at 31 March 2017, 88% of the balance were secured by sufficient collateral on an individual basis. Included in the accounts receivable from cash clients are debtors with a carrying amount of approximately HK\$311,000 (31 March 2017: HK\$16,587,000) as at 31 December 2017, which was past due at the end of the Reporting Period and a provision for impairment of HK\$300,000 was made against the debtors (31 March 2017: Nil).

As at 31 March 2017, the directors of the Company considered the balance past due not to be impaired as there had not been a significant change in credit quality and a substantial portion of the carrying amount was subsequently settled. HK\$6,726,000 of the accounts receivable from cash clients were neither past due nor impaired and the directors of the Company were of the opinion that the amount were recoverable.

Cash client receivables which were past due but not impaired bore interest at interest rates by reference to Hong Kong prime rate plus certain basis points based on management's discretion.

Accounts receivable due from margin clients

Accounts receivable due from margin clients are repayable on demand and carry interest at Hong Kong Prime Rate minus 0.35% to Hong Kong Prime Rate plus 9.15% per annum during the nine months ended 31 December 2017 (31 March 2017: Hong Kong Prime Rate plus 4% to 8%). They are generally included in "Neither past due nor impaired" category. The fair values of the pledged securities as at 31 December 2017 approximate HK\$4,455,263,000 (31 March 2017: HK\$3,366,705,000). Securities are assigned with specific margin ratios for calculating their margin values. Additional funds or collateral are required if the amount of accounts receivable outstanding exceeds the eligible margin value of securities deposited.

As at 31 December 2017, 100% (31 March 2017: 92%) of the balance were secured by sufficient collateral on an individual basis and management has considered that no impairment is necessary (31 March 2017: Nil). As at 31 March 2017, the collaterals held could be replighted by the Group up to 140% of the margin receivable amounts in the search of short-term financing, if necessary. The corresponding collaterals held could be sold at the Group's discretion to settle any outstanding amounts owed by the margin clients. The Group does not repledge collaterals held for financing as at 31 December 2017.

In addition, the Group has a policy for determining the allowance for impairment of accounts receivable without sufficient collateral based on the evaluation of collectability and aging analysis of accounts and on management's judgement including the creditworthiness, collateral and the past collection history of each client.

In determining the recoverability of the accounts receivable, the Group considers any change in the credit quality of the accounts receivable from the date the credit was initially granted up to the reporting date and the fair values of the collateral held.

Movement in the allowances for impairment loss on accounts receivable are as follows:

	Cash clients <i>HK\$'000</i>	Margin clients <i>HK\$'000</i>	Total <i>HK\$'000</i>
Balance at 1 April 2016	119	22,523	22,642
Impairment loss reversed during the year	(119)	(22,523)	(22,642)
Balance at 31 March 2017	—	—	—
Impairment loss during the period	300	—	300
Balance at 31 December 2017	300	—	300

Subsequent to the year ended 31 March 2017, the Group received settlements of all previously impaired account receivables of HK\$39,072,000, of which HK\$16,430,000 were impaired before the acquisition of Skyway Securities Investment Limited and Skyway Futures Limited. Accordingly, a reversal of allowance for impairment loss on account receivables amounting to HK\$22,642,000 was recognised in the profit or loss while a gain on recovery of bad debts amounting to HK\$16,430,000 was recognised in profit or loss.

In respect of accounts receivable from cash clients which are past due but not impaired at the end of the reporting period, the aging analysis is summarised as follows:

	As at 31 December 2017 HK\$'000	As at 31 March 2017 HK\$'000
Less than one month	–	1,763
More than one month and within three months	–	1,619
More than three months	<u>11</u>	<u>13,205</u>
Total	<u>11</u>	<u>16,587</u>

No aging analysis in respect of accounts receivable from margin clients is disclosed as, in the opinion of directors of the Company, the aging analysis does not give additional value in view of the nature of this business.

The Group offset certain accounts receivable and accounts payable when the Group currently has a legally enforceable right to set off the balances, and intends to settle on a net basis or to realise the balances simultaneously.

Accounts receivable arising from the business of dealing in futures and options contracts

Under the settlement arrangement with clearing house, all open positions held at clearing house are treated as if they were closed out and re-opened at the relevant closing quotation as determined by clearing house. Profits or losses arising from this “mark-to-market” settlement arrangement are included in accounts receivables with clearing house.

In accordance with the agreement with the broker, mark-to-market profits or losses are treated as if they were settled and are included in accounts receivable with brokers.

The accounts receivable are neither past due nor impaired.

Accounts receivable from clearing house and brokers represent transactions arising from the business of dealing.

14 LOANS AND ADVANCES

	As at 31 December 2017 <i>HK\$'000</i>	As at 31 March 2017 <i>HK\$'000</i>
Loans and advances	1,661,876	–
Less: Amount due within one year presented under current assets	<u>(1,212,426)</u>	<u>–</u>
Amount presented under non-current assets	<u>449,450</u>	<u>–</u>

At 31 December 2017, loans and advances included loans to independent third parties with effective interest rates ranging from 6% to 10% (31 March 2017: Nil) per annum. The company manages credit risk of loans and advances by obtaining collaterals, guarantees or keepwell and liquidity deed from the borrowers. Regular reviews on these loans are conducted by the risk management department based on the latest status of these loans, and the latest available information about the borrowers and the underlying collaterals held.

Management of the Group believes that the amount is considered recoverable given the collateral is sufficient to cover the entire balance for the secured loans and advances and no recent history of default of borrowers was noted. The management believes that no impairment provision is necessary.

15 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 December 2017 <i>HK\$'000</i>	As at 31 March 2017 <i>HK\$'000</i>
Held for trading:		
Equity securities listed in Hong Kong	2,597	379,107
Investment funds	<u>1,327,882</u>	<u>–</u>
	<u>1,330,479</u>	<u>379,107</u>

The fair values of the listed equity securities investments and investment funds were determined based on the quoted market prices. The investment funds mainly invest in listed debt investments.

16 ACCOUNTS PAYABLE

	As at 31 December 2017 HK\$'000	As at 31 March 2017 HK\$'000
Accounts payable arising from the ordinary course of business of securities brokerage, futures and options dealing services:		
– Cash clients	307,470	65,045
– Margin clients	7,253	41,058
– Clearing house	4,453	–
	<u>319,176</u>	<u>106,103</u>

Accounts payable arising from the business of dealing in securities

The accounts payable balances arising from the ordinary course of business of securities brokerage services are normally settled in two trading days after the trade date except for the money held on behalf of clients at the segregated bank accounts which are repayable on demand. No aging analysis is disclosed as, in the opinion of directors of the Company, an aging analysis does not give additional value in view of the nature of this business.

Accounts payable arising from the business of dealing in futures and options contracts

Settlement arrangements with clients follow the same settlement mechanism with clearing house or brokers as disclosed in note 13 and profits or losses arising from mark-to-market settlement arrangement were included in accounts payable with clients.

Accounts payable to clients are non-interest bearing. The settlement terms of accounts payable are one day after trade day. No aging analysis is disclosed as, in the opinion of directors of the Company, an aging analysis does not give addition value in view of the nature of this business.

17 BANK AND OTHER BORROWINGS

	As at 31 December 2017 HK\$'000	As at 31 March 2017 HK\$'000
Secured bank loans	–	638
Unsecured bank loans	298,495	–
Mortgaged bank loans	–	177,624
Loan from an intermediate holding company	3,052,543	–
	<u>3,351,038</u>	<u>178,262</u>
The carrying amounts of the above borrowings are repayable:		
Within one year	3,351,038	8,455
Within a period of more than one year but not exceeding two years	–	8,143
Within a period of more than two years but not exceeding five years	–	25,800
With a period of more than five years	–	135,864
	<u>3,351,038</u>	<u>178,262</u>
Less: Amount due within one year presented under current liabilities	<u>(3,351,038)</u>	<u>(8,455)</u>
Amount presented under non-current liabilities	<u>–</u>	<u>169,807</u>

As at 31 December 2017, the Group had loans amounting to approximately HK\$3,032,527,000 from CMBC International Holdings Limited (“CMBCI”), an intermediate holding company and interest payable amounting to approximately HK\$20,016,000. The loans bear interest at a fixed rate of 4% per annum and are repayable within one year.

As at 31 December 2017, bank borrowings carry variable interest rates ranging from 3.6%-4.4% per annum.

As at 31 March 2017, bank borrowings and overdrafts were secured by marketable securities and investment property. The mortgaged bank loans were also guaranteed by a former substantial shareholder. Bank borrowings carried variable interest rates ranging from 2.3% to 5% per annum.

18 SHARE CAPITAL

	<i>Notes</i>	Number of shares		Amount	
		As at 31 December 2017 <i>'000</i>	As at 31 March 2017 <i>'000</i>	As at 31 December 2017 <i>HK\$'000</i>	As at 31 March 2017 <i>HK\$'000</i>
Authorised:					
Ordinary shares at HK\$0.01 each		<u>100,000,000</u>	<u>100,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid:					
At the beginning of the period/year		18,019,813	12,664,197	180,198	126,641
Exercise of warrants	(i)	–	2,408,961	–	24,090
Issue of shares	(ii)	26,950,000	1,300,000	269,500	13,000
Placing of shares	(iii)	–	1,450,000	–	14,500
Exercise of share options	(iv)	<u>808,943</u>	<u>196,655</u>	<u>8,089</u>	<u>1,967</u>
At the end of the period/year		<u>45,778,756</u>	<u>18,019,813</u>	<u>457,787</u>	<u>180,198</u>

Notes:

- (i) As disclosed in the announcement of the Company dated 7 December 2015, 22 January 2016, 12 February 2016 and 17 February 2016 and the circular of the Company dated on 23 December 2015, the Company proposed the bonus warrant issue on the basis of one bonus warrant for every five existing shares held on 12 February 2016, a total of 2,523,640,250 warrants were issued accordingly (“2017 Warrants”). Each bonus warrant will entitle the holder thereof to subscribe in cash for one new share to be issued by the Company at an initial subscription price of HK\$0.1 per new share, subject to adjustments, at any time during the period on or after 12 February 2016 but no later than 13 February 2017. During the year ended 31 March 2017, 2,408,961,281 new shares were issued as a result of exercise of warrants. The net proceeds from the exercise of warrants was approximately HK\$240,897,000. As at 31 December 2017, the Company had no 2017 Warrants outstanding as the remaining warrants were lapsed on 13 February 2017.
- (ii) On 4 March 2016, Gold Mission Limited, an indirect wholly owned subsidiary of the Company, entered the sale and purchase agreement with Future World Financial Holdings Limited (formerly known as Central Wealth Financial Group Limited) in relation to acquisition of Sky Eagle, pursuant to which the Company agreed to allot and issue a total of 1,300,000,000 consideration shares as the part of consideration of the acquisition. Details of the consideration shares are set out in the Company’s announcement dated on 4 March 2016. The acquisition was completed on 15 July 2016.

Pursuant to the subscription agreement entered on 7 March 2017, 25,000,000,000 and 1,950,000,000 new subscription shares have been duly allotted and issued to CMBC International Investment Limited and Brilliant Decent Limited, respectively. The subscription was completed on 31 May 2017.

- (iii) On 3 May 2016, the Company entered into the subscription agreement with Capital Union Inc., pursuant to which Capital Union Inc. subscribed for and the Company allotted and issued 1,450,000,000 new shares with an aggregate fair value of HK\$301,600,000. Details are set out in the Company's announcement dated 3 May 2016.
- (iv) The Company granted 1,005,598,000 share options to subscribe for ordinary shares of HK\$0.01 each in the share capital of the Company under the Share Option Scheme on 18 September 2015 and 12 October 2015 to eligible participants. The share options granted on 18 September 2015 and 12 October 2015 can be exercised at any time during the period on or after the grant dates but not later than 17 September 2018 and 11 October 2018, respectively.

During the period ended 31 December 2017, 808,943,000 (year ended 31 March 2017: 196,655,000) new shares were issued as a result of exercise of share options.

19 ACQUISITION AND DISPOSAL OF SUBSIDIARIES

(a) Acquisition of subsidiaries

Acquisition of CMBC International Capital Limited ("CMBCIC") and CMBC Capital Finance Limited ("CMBCCF")

As disclosed in the Company's announcement dated 27 July 2017, the Company entered into an acquisition agreement with CMBCI, an intermediate holding company of the Company, pursuant to which the Company agreed to acquire the entire issued share capital of CMBCIC and CMBCCF for a consideration of HK\$19,931,674 and HK\$1, respectively.

CMBCIC held SFC license to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities since March 2017. CMBCIC is principally engaged in the provision of corporate finance services. CMBCCF has obtained a money lender license in Hong Kong since July 2017. CMBCCF is principally engaged in the provision of loan financing business. The directors of the Company are of the view that the acquisitions will further broaden the Group's client bases, procure new sources of revenue for the Group and create synergy effect of the Group's principal businesses.

During the period ended 31 December 2017, the Group completed the acquisition of CMBCIC and CMBCCF.

(b) Disposal of subsidiaries

During the period ended 31 December 2017, the Group completed the disposal of group companies other than the three licensed corporations as a result of the group reorganisation and completed the disposal of Sky Eagle and Metro Victor. The transactions resulted in a loss of approximately HK\$789,000.

BUSINESS REVIEW

In May 2017, China Minsheng Banking Corp., Ltd (“China Minsheng”) became the ultimate controlling shareholder of the Company and since then the Group started its rapid development. Subsequently in August 2017 and October 2017, the Company has acquired the entire issued share capital of CMBC Capital Finance Limited and CMBC International Capital Limited, respectively and as a result, the Group is licensed to engage in Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities, as well as the licensed money lending business and has all material licenses required for services expected to be required by most of its potential clients at current stage.

Leveraging on the strong reputation, expertise and capability of China Minsheng, and the licenses it possesses, the Group has achieved rapid growth in its financial performance. During the Reporting Period, the Group’s profit attributable to the owners of the Company was approximately HK\$118.3 million (Year ended 31 March 2017 (the “Previous Year”): loss of HK\$1,042.1 million), the Group’s basic and diluted earnings per share were HK0.30 cents (31 March 2017: basic and diluted loss per share of HK6.73 cents).

The Group’s revenue increased by 97.3% to approximately HK\$165.2 million during the Reporting Period, compared to approximately HK\$83.7 million in the Previous Year. It was mainly due to the contribution from the investment and financing segment and the asset management and advisory segment during the Reporting Period.

The analysis of the Group’s revenue and profit by reportable segments is as below.

Securities

The Group’s securities business mainly includes the provision of brokerage services, securities margin financing services, futures and options contracts dealing services to clients and securities underwriting. During the Reporting Period, the revenue and profit contributed by securities segment were approximately HK\$73.1 million and HK\$49.1 million, respectively, compared to the revenue and loss of approximately HK\$187.6 million and HK\$460.4 million, respectively in the Previous Year. The loss in the Previous Year was mainly attributed to the impairment loss in respect of goodwill and intangible assets of approximately HK\$639.7 million.

Investment and financing

During the Reporting Period, the segment revenue, which included dividend income from investments in listed equity securities and funds and interest income from investment in bonds, interest bearing notes and loans, amounted to HK\$117.7 million as compared to loss of HK\$159.3 million in the Previous Year. The segment results changed from segment loss of HK\$160.6 million in the Previous Year to segment profit of HK\$91.9 million in the Reporting Period. The segment profit was mainly attributable to dividend and interest income from investments of approximately HK\$49.1 million and net gains of investment of approximately HK\$68.6 million (Previous Year: Nil and loss of HK\$159.3 million, respectively).

As at 31 December 2017, the Group's investment portfolio mainly constituted of listed equity securities, listed debt securities, funds, interest bearing notes and loans.

Asset management and advisory

The Group's asset management and advisory segment represents the provision of asset management services, financial advisory and financial arrangement services to clients. During the Reporting Period, the Group commenced the preparation work for its asset management services, including, inter alia, setting up the product structure, distribution network and negotiating with potential investors. The segment recorded advisory and arrangement income of approximately HK\$43.1 million and segment profit of approximately HK\$39.8 million during the Reporting Period whereas there was no such segment in the Previous Year.

Discontinued Operations

On 31 May 2017, CMBC International Investment Limited and Brilliant Decent Limited subscribed 25,000,000,000 new shares and 1,950,000,000 new shares allotted and issued by the Company, both at the price of HK\$0.032 per Share, respectively (the "Subscriptions"). To satisfy the conditions precedent to the Subscriptions, the Group has disposed of the Group's companies other than the three licensed corporations comprising CMBC Securities Company Limited (formerly known as Skyway Securities Investment Limited), CMBC International Futures Company Limited (formerly known as Skyway Futures Limited) and CMBC Asset Management Company Limited (formerly known as Skyway Asset Management Limited) (collectively, the "Remaining Group"). As such, the Group considers the operations other than the Remaining Group to be discontinued during the Reporting Period.

FINAL DIVIDEND

The Board has not recommended the payment of a final dividend for the period ended 31 December 2017 (31 March 2017: Nil).

CHANGE OF COMPANY NAME

With effect from 26 May 2017, the English name of the Company has been changed from “SKYWAY SECURITIES GROUP LIMITED” to “CMBC CAPITAL HOLDINGS LIMITED” and the Chinese name “民銀資本控股有限公司” has been adopted as the secondary name of the Company to replace its former Chinese name “天順證券集團有限公司”, which was formerly adopted for identification purpose only.

FINANCIAL REVIEWS

Capital Structure

During the Reporting Period, the Company had (i) allotted and issued 317,305,500 new shares in April 2017 pursuant to the exercise of the share options under the share option scheme (adopted on 24 September 2012) (the “Share Option Scheme”) at the adjusted exercise price of HK\$0.234 per Share; (ii) allotted and issued 491,637,500 new shares in April 2017 pursuant to the exercise of the share options under the Share Option Scheme at the adjusted exercise price of HK\$0.231 per Share; and (iii) allotted and issued 26,950,000,000 new shares at HK\$0.032 per share on 31 May 2017 pursuant to the Subscriptions. As at 31 December 2017, the total number of the issued share capital with the par value of HK\$0.01 each was 45,778,757,729 and total equity attributable to shareholders was approximately HK\$1,280.2 million (31 March 2017: HK\$1,148.8 million).

During the Reporting Period, no shares have been purchased or granted to the selected persons of the Group under the share award scheme or the share option scheme.

Liquidity and Financial Resources

The Group primarily financed its operations with internally generated cash flows, borrowings, and by its internal resources and shareholder’s equity.

As at 31 December 2017, the Group had current assets of approximately HK\$3,999.0 million (31 March 2017: HK\$1,287.4 million) and liquid assets comprising cash (excluding segregated bank accounts) and investment in equity securities, bonds and funds totalling approximately HK\$2,287.2 million (31 March 2017: HK\$511.4 million). The Group’s current ratio, calculated based on current assets of approximately HK\$3,999.0 million (31 March 2017: HK\$1,287.4 million) over current liabilities of approximately HK\$3,886.0 million (31 March 2017: HK\$241.4 million), was at a ratio of approximately 1.0 at the end of the Reporting Period (31 March 2017: 5.3).

The Group's finance costs for the current period mainly represented the effective interest on notes payable of approximately HK\$6.2 million (Previous Year: HK\$8.2 million), effective interest on promissory notes of approximately HK\$0.3 million (Previous Year: HK\$4.1 million), interest on bank borrowings and bank overdrafts of approximately HK\$2.4 million (Previous Year: HK\$8.6 million), and interest on loans from an intermediate holding company of approximately HK\$20.0 million (Previous Year: Nil).

As at 31 December 2017, the Group's indebtedness comprised loans from an intermediate holding company, bank borrowings, notes payable and financial assets sold under repurchase agreements of approximately HK\$3,507.4 million (31 March 2017: bank borrowings and bank overdrafts, mortgage bank loans, promissory notes and notes payable totalling HK\$398.0 million). The loans from an intermediate holding company of approximately HK\$3,052.5 million (31 March 2017: Nil) were denominated in HK\$ and US\$, due on the first anniversary from the drawdown date, and borne interests at 4% fixed rate per annum. The notes payable in the aggregate principal amount of HK\$150 million (31 March 2017: HK\$150 million) was denominated in HK\$, due on the seventh anniversary from the respective issue dates of the notes, and borne interests at 5% fixed rate per annum. Promissory notes in the principal amount of HK\$29 million were fully repaid and mortgaged bank loans of approximately HK\$177.0 million were disposed together with the subsidiary, Sky Eagle Global Limited, during the Reporting Period.

The Group's gearing ratio, calculated on the basis of total indebtedness divided by the sum of total indebtedness and equity attributable to the Company's owners, was at a ratio of approximately 73.3% (31 March 2017: 25.7%).

With the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements.

Pledge of Assets

As at 31 December 2017, the Group did not charge or pledge any assets. As at 31 March 2017, the Group had pledged its investment property with a carrying value of HK\$410 million to a commercial bank for a mortgage loan of approximately HK\$177.6 million and marketable securities portfolio of approximately HK\$60.6 million were pledged to banks to secure borrowings. The mortgage loans were disposed of during the Reporting Period.

Contingent Liability

As at 31 December 2017, the Group had no significant contingent liability (31 March 2017: Nil).

Capital Commitment

As at 31 December 2017, the Group had no significant capital commitment (31 March 2017: Nil).

FOREIGN CURRENCY RISK MANAGEMENT

The Group's revenue has been mainly denominated in United States dollars and Hong Kong dollars while its expenditure is mainly denominated in Hong Kong dollars. The Group foreign exchange exposure is mainly from the translation of assets and liabilities denominated in United States dollars. As Hong Kong dollars are pegged with United States dollars, the Directors believe that the Group's foreign exchange exposure is manageable and the Group will closely monitor this risk exposure from time to time.

HUMAN RESOURCES AND REMUNERATION POLICY

As at 31 December 2017, the Group had about 60 (31 March 2017: about 47) employees including Directors. For the Reporting Period, total staff costs, including Directors' remuneration, was approximately HK\$34.9 million (Previous Year: HK\$19.5 million). Remuneration packages for employees and Directors are structured by reference to market terms and individual competence, performance and experience. Benefits plans maintained by the Group include mandatory provident fund scheme, subsidised training programme, share option scheme, share award scheme and discretionary bonuses.

PROSPECTS

The Company intends to continuously enhance profitability by offering a one-stop securities and investment banking solution encompassing cross-border and innovative financial products and services. In particular, the Group intends to, *inter alia*:

- (1) further expand its loan and financing business by offering more diversified structured finance services mainly targeting on high-profile private enterprise customers in the comprehensive health, mass consumption, emerging technology and featured manufacturing industry (the "Target Clients") thereby generating stable revenue stream, as well as facilitating the rapid development of the Group's merger and acquisition advisory and sponsor services, debt and equity underwriting business as well as asset management business;

- (2) further strengthen its brokerage service capability. In particular, the Group intends to steadily develop its brokerage services by further optimising the related IT system as well as leveraging on the established sales network and massive client base of China Minsheng;
- (3) commence and expand the corporate finance advisory business. In particular, the Group intends to establish its own client base for its sponsor business by assisting the Target Clients to go listing on the Stock Exchange. In addition, surrounding “One Belt and One Road Initiatives”, the Group also intends to provide the all-round investment banking services to those PRC domestic enterprises which plan to expand its business into those “One Belt and One Road” countries or jurisdictions;
- (4) further develop its asset management business. Leveraging on the extensive client base of the Group and China Minsheng, the Group intends to enrich its asset management product portfolio by offering diversified asset management services, as well as to attract higher net worth clients including listed companies and their senior management; and
- (5) consider to further develop the Group’s business through investment in or acquisition of suitable companies and business, when opportunities arise. As at the date of this announcement, the Group did not have any concrete plan to make any acquisition. The Group intends to strengthen its profitability and optimise its asset structure, through pre-IPO investments in high profile enterprises in Great China area. The Company also considers to acquire the companies and business which may create synergy with the Group and China Minsheng’s business. Although the Group currently does not have any specific acquisition plan, the Group will closely monitor the development trend in different markets such as Hong Kong, Europe and North-East Asia for its future globalised development. The Group will also look for potential acquisition targets with team advantage, profitability and sustainable growth.

On the whole, the Group will continue to implement the “one-body two-wings” strategy. “One-body” refers to the structural financing services provided by the Group. Benefiting from its bank-owned background, the Group is able to provide full-spectrum services (such as corporate advisory and consultation services) and one-stop solutions to clients with different funding requirements. “Two-wings” refers to the Group’s security business and asset management services. Leveraging on the development of “one-body” structural financing services, the Group is expected to achieve mutual growth in its security business and asset management business.

EVENTS AFTER THE REPORTING PERIOD

As disclosed in the Company's announcement dated 15 March 2018, the Company entered into the subscription agreement with New China OCT Fund SPC ("Segregated Portfolio Company") on 15 March 2018, pursuant to which the Company has agreed to subscribe for 300,000 Class A shares in the Segregated Portfolio Company in relation to the New China OCT Fund 2 Segregated Portfolio of the Segregated Portfolio Company ("Segregated Portfolio") at a total consideration of HK\$300,000,000.

RISK MANAGEMENT CAPABILITIES

The Board recognises risk management as one of the key elements to the success of the Company and endeavours to improve risk management system to align with its business development strategically. The Group takes a pragmatic approach to manage different risks including credit risks, market risks and operation risks. As at the date of this announcement, the Group has implemented various risk management policies and procedures, covering different business sectors. The Group has also established centralised internal control and compliance management system to effectively monitor the Group's operation and dealings. During the Reporting Period, the Board has established the risk management and internal control committee to, *inter alia*, oversee the overall risk management framework of the Group. The Group will continue to enhance the risk management practices and internal control system and adopt a stringent governance framework with reference to the best practices in the market.

CORPORATE GOVERNANCE

The Company has complied with all the applicable provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules throughout the Reporting Period except for the following deviation with reasons as explained:

Insurance cover for directors

Code Provision A.1.8

Code Provision A.1.8 of the CG Code provides that an issuer should arrange appropriate insurance cover in respect of legal action against its directors.

Deviation

In June 2017, the liability insurance for Directors expired due to the change of control of the Board and the Company had not arranged for replacing insurance during the period between June and November 2017. The reason for such deviation is that the Company needs time to identify an appropriate insurer and insurance plan that are suitable for its current business operation. In November 2017, the Company took out liabilities insurance for the Directors with coverage in respect of legal action against the Directors. The Company will conduct annual review on the coverage in accordance with the Directors' risk exposure arising out of corporate activities.

Meeting without executive Directors' presence

Code Provision A.2.7

Code Provision of A.2.7 of the CG Code requires the chairman of the Board to hold meetings at least annually with the non-executive Directors (including independent non-executive Directors) without the executive Directors present.

Deviation

As Mr. Li Jinze, the chairman of the Board, is also an executive Director, the Company has deviated from this code provision as it is not applicable.

Appointment of Directors

Code Provision A.4.1

Under the code provision A.4.1, non-executive directors should be appointed for a specific term and subject to re-election.

Deviation

All the non-executive Directors were not appointed for a specific term. Notwithstanding such deviation, all Directors are subject to the retirement by rotation according to the provisions of the bye-laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the CG Code.

Attendance of the Annual General Meeting

Code Provision E.1.2

Code provision E.1.2 stipulates that the chairman of the Board should invite for the chairmen of the audit, remuneration and nomination committees (as appropriate) or in the absence of the chairmen of such committees, another member of the committee or failing this his duly appointed delegate, to be available to answer questions at the annual general meeting of the Company.

It further stipulates that the chairman of the independent board committee should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that requires independent shareholders' approval.

Deviation

The chairmen and members of the nomination committee and the remuneration committee were unable to attend the annual general meeting of the Company held on 8 September 2017 (the "AGM") due to their other business engagement. However, the chairman of the Board had chaired the AGM and answered questions from the shareholders of the Company. The AGM has provided a channel for communication between the Board and the shareholders.

The chairman of the independent board committee did not attend the special general meeting of the Company held on 26 October 2017 due to other important business engagement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as its own code of conduct regarding securities transactions by the Directors of the Company. In response to specific enquiry made by the Company, all Directors confirmed that they have fully complied with the required standards as set out in the Model Code throughout the Reporting Period.

OTHER INFORMATION

Audit Committee

The audited consolidated financial statements of the Company for the nine months ended 31 December 2017 have been reviewed by the Audit Committee of the Company before they are duly approved by the Board under the recommendation of the Audit Committee.

Scope of work of KPMG

The financial figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the nine months ended 31 December 2017 as set out in this announcement have been agreed by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's consolidated financial statements for the period. The work performed by KPMG in this respect did not constitute an audit, review or other 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 HKICPA and consequently no assurance has been expressed by KPMG on this announcement.

Purchase, Sale or Redemption of the Company's Listed Securities

During the Reporting Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

PUBLICATION OF ANNUAL REPORT

The annual report 2017 of the Company containing all the applicable information required by the Listing Rules will be despatched to the shareholders of the Company and published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.cmbccap.com) in due course.

APPRECIATION

The Board would like to express its sincere gratitude to the management of the Group and all the staff for their hard work and dedication, as well as its shareholders, business partners and other professional parties for their support throughout the Reporting Period.

By order of the Board
CMBC Capital Holdings Limited
Li Jinze
Chairman

Hong Kong, 29 March 2018

As at the date of this announcement, the Directors are as follows:

Executive Directors:

Mr. Li Jinze (*Chairman*)
Mr. Ding Zhisuo
Mr. Ng Hoi Kam

Non-executive Directors:

Mr. Ren Hailong
Mr. Liao Zhaohui

Independent Non-executive Directors:

Mr. Lee, Cheuk Yin Dannis
Mr. Wu Bin
Mr. Wang Lihua