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.

FUTURE WORLD FINANCIAL HOLDINGS LIMITED

未 來 世 界 金 融 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 572)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2018

The board (the "**Board**") of directors (the "**Directors**") of Future World Financial Holdings Limited (the "**Company**") hereby announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the six months ended 30 June 2018 together with comparative figures for the corresponding period of 2017 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2018

	Notes	Six months ended 30 June **2018** ***HKD'000*** **(Unaudited)**	 2017 *HKD'000* (Unaudited)
Net realised gain from securities trading and investments		**4,887**	9,360
Revenue	*5*	**18,825**	73,716
Cost of sales		**–**	(1,653)
Gross profit		**18,825**	72,063
Other income		**10**	1,486
Gain on disposal of subsidiaries		**–**	19
Gain on disposal of associates		**–**	216
Administrative expenses		**(15,218)**	(14,609)
Impairment loss on property, plant and equipment	*12*	**–**	(14,760)
Impairment loss on loan and interest receivables		**(6,071)**	–
Reversal of impairment loss recognised on trade and other receivables		**2,688**	–
Provision for the onerous contract of the committed lease and other payments	*12*	**–**	(8,445)
Change in fair values of financial assets at fair value through profit or loss/held-for-trading investments	*14*	**(23,807)**	266,514
Change in fair values of derivative financial instrument		**–**	600
Change in fair value of investment properties	*12*	**14,000**	6,000
Change in fair value of crypto currency	*15*	**(18,352)**	–
Share of profit of associates		**–**	1,794
Share-based payment expense		**–**	(10,490)

	Notes	Six months ended 30 June 2018 HKD'000 (Unaudited)	2017 HKD'000 (Unaudited)
Operating (loss)/profit		**(23,038)**	309,748
Finance costs	*7*	**(6,658)**	(1,565)
(Loss)/Profit before income tax	*8*	**(29,696)**	308,183
Income tax expenses	*9*	**(2,151)**	(378)
(Loss)/Profit for the period		**(31,847)**	307,805
Other comprehensive loss:			
Item that will not be reclassified to profit or loss:			
Change in fair value of financial assets at fair value through other comprehensive income		**(202,436)**	(7,833)
Other comprehensive loss for the period, net of income tax		**(202,436)**	(7,833)
Total comprehensive (loss)/income for the period		**(234,283)**	299,972
(Loss)/Profit for the period attributable to:			
– Owners of the Company		**(31,847)**	307,805
– Non-controlling interest		**–**	–
		(31,847)	307,805
Total comprehensive (loss)/income attributable to:			
– Owners of the Company		**(234,283)**	299,972
– Non-controlling interest		**–**	–
		(234,283)	299,972
(Loss)/Earnings per share attributable to owners of the Company	*11*		
– Basic		**HK(0.31) cents**	HK4.82 cents
– Diluted		**HK(0.31) cents**	HK4.64 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

	Notes	**30 June 2018** *HKD'000* **(Unaudited)**	31 December 2017 *HKD'000* (Audited)
Non-current assets			
Property, plant and equipment	*12*	**2,177**	3,215
Investment properties	*12*	**694,000**	280,000
Financial assets at fair value through other comprehensive income	*13*	**1,002,062**	–
Available-for-sale financial assets		**–**	193,504
		1,698,239	476,719
Current assets			
Crypto currency	*15*	**23,146**	–
Financial assets at fair value through profit or loss/Held-for-trading investments	*14*	**108,068**	872,620
Interest in a film right/Interest in a film in progress		**12,960**	12,960
Trade and other receivables	*16*	**1,832**	44,223
Loan and interest receivables	*16*	**373,993**	279,101
Cash and bank balances		**10,376**	133,008
		530,375	1,341,912
Current liabilities			
Accruals, and other payables		**9,250**	22,848
Bank borrowings	*17*	**245,155**	111,961
Other borrowings	*18*	**323,798**	149,760
Tax liabilities		**18,924**	17,116
		597,127	301,685
Net current (liabilities)/assets		**(66,752)**	1,040,227
Net assets		**1,631,487**	1,516,946
Capital and reserves			
Share capital	*19*	**11,580**	8,157
Reserves		**1,619,912**	1,508,794
Equity attributable to owners of the Company		**1,631,492**	1,516,951
Non-controlling interest		**(5)**	(5)
Total equity		**1,631,487**	1,516,946

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2018

1. GENERAL

Future World Financial Holdings Limited (the "**Company**") was incorporated as an exempted company with limited liability in the Cayman Islands on 21 October 2002 under the Companies Law of the Cayman Islands. The address of the registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The principal place of business is Unit 912, 9th Floor, New East Ocean Centre, 9 Science Museum Road, Kowloon, Hong Kong. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company. The Company and its subsidiaries (hereinafter collectively referred to as the "**Group**") are principally engaged in the trading business and related services, securities trading and investment, provision of financing services, property investment and e-commerce business.

The condensed consolidated interim financial statements are presented in Hong Kong dollars ("**HKD**"), which is also the functional currency of the Company, and all values are rounded to the nearest thousand except when otherwise indicated. The condensed consolidated interim financial statements were approved for issue by the board of directors on 27 August 2018.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements of the Group for the six months ended 30 June 2018 ("**Interim Financial Statements**") 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 disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The Interim Financial Statements do not include all of the information required in annual financial statements in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2017.

The Interim Financial Statements are unaudited, but have been reviewed by Moore Stephens CPA 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.

Going concern

The Group incurred a net loss of approximately HKD31,847,000 for the six months ended 30 June 2018 and, as of that date, the Group has net current liabilities of approximately HKD66,752,000. These conditions indicate that a material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The directors of the Company have considered the following when they prepared the Interim Financial Statements:

The current liabilities of the Group include bank borrowings of approximately HKD236,776,000, which have been classified as current liabilities as the related loan agreements contain a repayment on demand clause. According to the loan agreement, the loans are repayable by monthly instalments in 20-25 years time. The Group regularly monitors its compliance with covenants and scheduled repayments of such bank borrowings and the directors of the Company do not consider that the banks will exercise their discretion to demand repayment so long as the Group continues to meet these requirements.

Taking into account of the above consideration, the directors of the Company are satisfied that the Group will be able to meet its financial obligations when they fall due. Accordingly, the directors of the Company are of the opinion that it is appropriate to prepare the Interim Financial Statements on a going concern basis.

Should the Group be unable to continue as going concern, adjustments would have to be made to the Interim Financial Statements to write down the carrying amounts of assets to their recoverable amounts, to reclassify non-current assets as current assets and to provide for any further liabilities which might arise. The effect of these adjustments has not been reflected in the Interim Financial Statements.

3. PRINCIPAL ACCOUNTING POLICIES

The Interim Financial Statements have been prepared on the historical cost basis, except for the investment properties, certain financial assets and investments in crypto currency, which are subsequently measured at fair value.

The Interim Financial Statements have been prepared based on the same accounting policies adopted in the 2017 annual financial statements, except for those that relate to new standards or interpretations effective for the first time for periods beginning on or after 1 January 2018 and the new accounting policies adopted for investments in crypto currency as explained in Note 4(c). Save as disclosed in the changes in accounting policies in Note 4, the application of other new and revised HKFRSs in the current period has no material effect on the amounts reported and/or disclosures set out in the Interim Financial Statements.

The Group has not applied any new HKFRSs or amendments that is not yet effective for the current accounting period.

4. SUMMARY OF THE IMPACT OF CHANGES IN ACCOUNTING POLICY

This note explains the impact of the adoption of HKFRS 9 Financial Instruments on the Interim Financial Statements and also discloses the new accounting policies that have been applied from 1 January 2018, where they are not applied or are different to those applied in prior periods. The Group has concluded not to restate the comparative figures based on the specific transitional provision in HKFRS 9.

(a) HKFRS 9 Financial Instruments – Accounting policy applied from 1 January 2018

As explained in Note 4(a)(ii) below, HKFRS 9 was adopted without restating comparative information. The new classification and the new impairment rules are therefore not reflected in the condensed consolidated statement of financial position as at 31 December 2017, but are recognised as adjustment to the opening retained earnings as at 1 January 2018.

The following tables show the adjustments of the Group recognised for each individual line item. Line items that were not affected by the changes have not been included. The adjustments of the Group are explained in more detail below.

	At 31 December 2017 *HKD'000*	Adjustments upon application of HKFRS 9 *HKD'000*	*Notes*	**At 1 January 2018** ***HKD'000***
Equity instruments – financial assets at fair value through other comprehensive income	–	882,504	*(i)*	**882,504**
Equity instruments – available-for-sale financial assets	193,504	(193,504)	*(i)*	**–**
Total non-current assets	476,719	689,000		**1,165,719**
Equity instruments – financial assets at fair value through profit or loss	872,620	(689,000)	*(i)*	**183,620**
Debt instruments – financial assets at fair value through profit or loss	–	10,296	*(i)*	**10,296**
Trade and other receivables	44,223	(2,688)	*(ii)*	**41,535**
Loan and interest receivables	279,101	(27,441)	*(i), (ii)*	**251,660**
Total current assets	1,341,912	(708,833)		**633,079**
Reserves	1,508,794	(19,833)		**1,488,961**
Total equity	1,516,946	(19,833)		**1,497,113**

Notes:

(i) HKFRS 9 basically retains the existing requirements in HKAS 39 for the classification and measurements of financial liabilities. However, it eliminates the previous HKAS 39 categories for financial assets of held to maturity financial assets, loans and receivables and available-for-sale financial assets. The adoption of HKFRS 9 has no material impact on the Group's accounting policies related to financial liabilities. The impact of HKFRS 9 on the Group's classification and measurement of financial assets is set out below.

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at FVTOCI if the objective of the entity' business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election as at the date of initial application of HKFRS9 (based on the specific transitional provision in HKFRS 9) to designate investments in equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at FVTPL. All other investments in equity instruments including those that are held for trading are measured at FVTPL and are classified as current assets in condensed consolidated statement of financial position. Dividend on FVTPL or FVTOCI equity instruments are recognised in profit or loss.

Management of the Group has made an irrevocable election at the date of initial application of HKFRS 9 to designate certain investment in equity instruments that are not held for trading as at the date of initial application at FVTOCI and such FVTOCI with aggregate fair value amounting to HKD882,504,000 as of 1 January 2018 and such equity instruments that were designated as at FVTOCI are classified as non-current assets. The Group intends to hold these equity investments for long-term strategic purposes. This election is made on instrument-by-instrument basis. Changes in fair value of the equity investments designated as at FVTOCI are recognised in other comprehensive income and shall not be subsequently reclassified to profit or loss. Dividends on such investments are generally recognised in profit or loss.

Management of the Group has also reassessed the classification of the Group's loan receivables and concluded that a loan receivable with variable return does not satisfy HKFRS 9's contractual cash flow characteristics that the contractual cash flows are solely payments of principal and interest. The loan receivable has been classified as FVTPL under HKFRS 9.

(ii) The impact of these changes on the Group's equity is as follows:

	Notes	Effect on available-for sale financial assets reserve *HKD'000*	Effect on fair value reserve (non-recycling) *HKD'000*	Effect on retained earnings *HKD'000*
Closing balance as at 31 December 2017		26,794	–	399,594
Reclassification from available-for-sale financial assets to financial assets at fair value through other comprehensive income	*(ii)*	(26,794)	26,794	–
Increase in expected credit losses on trade receivables and loans receivables	*(b)(ii)*	–	–	(19,833)
Opening balance as at 1 January 2018		–	26,794	379,671

Impairment of financial assets

The adoption of HKFRS 9 has changed the Group's impairment model by replacing the HKAS 39 "incurred loss model" to the "expected credit losses ("**ECLs**") model". HKFRS 9 requires the Group to recognise ECL for trade receivables and loan receivables that are measured at amortised cost. Cash and cash equivalents are subject to ECL model but the ECL is immaterial.

Under HKFRS 9, the loss allowances are measured on either of the following bases: (1) 12 months ECLs: these are the ECLs that result from possible default events within the 12 months after the end of the reporting period; and (2) lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Measurement of ECLs

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive. The shortfall is then discounted at an approximation to the assets' original effective interest rate.

The Group has elected to measure loss allowances for trade receivables and loan receivables at individual level and has calculated ECLs based on lifetime ECLs. The Group has established an assessment that is based on the Group's historical credit loss experience, credit assessment and adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when: (1) the debtor is unlikely to pay its obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or (2) the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Presentation of ECLs

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Impact of the ECL model

(a) Impairment of trade receivable

The Group has applied HKFRS 9 to measure the lifetime ECLs for the trade receivables for each individual. Impairment loss on the trade receivables of approximately HKD2,688,000 was provided upon transition to HKFRS 9 as of 1 January 2018. The impairment had been fully reversed due to settlement during the six months ended 30 June 2018. Details are set out in Note 15 and 16.

(b) Impairment of loan receivables – from money lending business

The Group has applied HKFRS 9 to measure the lifetime ECLs for the loan receivables for each debtor. The loss allowances for loan receivables for money lending business upon the transition to HKFRS 9 as of 1 January 2018 were approximately HKD17,145,000. The loss allowances increased by HKD6,071,000 during the six months ended 30 June 2018.

(b) HKFRS 15 Revenue from Contracts with Customers – Impact of adoption

The Group has adopted HKFRS 15 Revenue from Contracts with Customers from 1 January 2018 which resulted in changes in accounting policies. In accordance with the transition provisions in HKFRS 15, the Group has adopted the new rules retrospectively. The Group assessed the impacts of adopting HKFRS 15 on its financial statements. Based on the assessment, the adoption of HKFRS 15 has no significant impact on the Group's revenue recognition as the Group's dividend income, interest income and rental income are not within the scope of HKFRS 15.

(c) Crypto currency

Crypto currencies are open-source software-based online payment system where payments are recorded in a public ledger using its own unit of account. In the opinion of the directors of the Company, crypto currency is a financial-like asset, the management therefore adopted an accounting policy by analogy to financial assets. The management concluded that investments of crypto currencies are measured as FVTPL with any gains or losses arising from remeasurement recognised in profit or loss.

Crypto currencies are derecognised when the Group has transferred substantially all the risks and rewards of ownership.

5. REVENUE

Revenue represents the income received and receivable arising from the Group's principal activities including i) securities trading and investment; ii) provision of financing services; and iii) property investment during the period. An analysis of the Group's revenue for the period is as follows:

	Six months ended 30 June	
	2018	2017
	HKD'000	*HKD'000*
	(Unaudited)	(Unaudited)
Revenue		
Dividend income from investments	**–**	70,214
Interest income from provision of financing services	**14,225**	2,302
Rental income from property investment	**4,600**	1,200
	18,825	73,716
Net realised gain from securities trading and investments	**4,887**	9,360

6. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers (the "**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided. No operating segments identified by the chief operating decision makers have been aggregated in arriving at the reportable segments of the Group.

With the continuous growth and expansion of the investment in film industry, the CODM considered the necessity of separate reporting of this division, which was grouped under "Provision of financing services" in previous year.

With the changes in the structure and composition of the reportable segment, certain comparative figures in the segment information for the six months ended 30 June 2017 has been reclassified and revised to present segment result on a consistent basis.

Specifically, the Group's reportable and operating segments under HKFRS 8 are as follows:

– Trading business and related services

– Securities trading and investment

– Provision of financing services

– Property investment

– E-commerce business

– Investment in film industry

Segment revenues and results

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

	Trading business and related services Six months ended 30 June		Securities trading and investment Six months ended 30 June		Provision of financing services Six months ended 30 June		Property investment Six months ended 30 June		E-Commerce business Six months ended 30 June		Investment in film industry Six months ended 30 June		Total Six months ended 30 June	
	2018	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017	**2018**	2017
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)	**(unaudited)**	(unaudited)
Revenue														
– External sales	**–**	–	**–**	79,574	**13,570**	2,302	**4,600**	1,200	**–**	–	**655**	–	**18,825**	83,076
Segment result	**(1,915)**	(1,003)	**(46,000)**	343,654	**7,370**	2,291	**15,815**	5,586	**(124)**	(27,763)	**654**	–	**(24,200)**	322,765
Unallocated corporate income													**10**	1,440
Unallocated corporate expenses													**(5,506)**	(8,160)
Change in fair values of derivative financial instrument													**–**	600
Gain on disposal of subsidiary													**–**	19
Gain on disposal of associate													**–**	216
Share of profit of associates													**–**	1,794
Share-based payment expenses													**–**	(10,490)
Finance costs													**–**	(1)
(Loss)/Profit before income tax													**(29,696)**	308,183

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment (loss)/profit represents the (loss incurred)/profit earned by each segment without allocation of certain administration costs, directors' emoluments, other income, certain gain on disposals of a subsidiary/associates, share-based payment expenses, change in fair value of derivative financial instrument, share of profit of associates and certain finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

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

	30 June 2018	31 December 2017
	HKD'000	*HKD'000*
	(Unaudited)	(Audited)
Segment assets		
Trading business and related services	**473**	429
Securities trading and investment	**1,119,186**	1,111,756
Provision of financing services	**364,708**	266,787
Property investment	**694,759**	280,655
E-commerce business	**7,191**	9,075
Investment in film industry	**33,350**	27,396
Total segment assets	**2,219,667**	1,696,098
Unallocated corporate assets	**8,947**	122,533
Consolidated assets	**2,228,614**	1,818,631
Segment liabilities		
Trading business and related services	**–**	–
Securities trading and investment	**323,948**	149,910
Provision of financing services	**7,124**	5,416
Property investment	**247,335**	114,126
E-commerce business	**16,694**	18,453
Investment in film industry	**100**	–
Total segment liabilities	**595,201**	287,905
Unallocated corporate liabilities	**1,926**	13,780
Consolidated liabilities	**597,127**	301,685

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

- all assets are allocated to operating segments other than loan receivable from a former associate, certain other receivables and certain cash and bank balances; and

- all liabilities are allocated to operating segments other than certain other payables.

7. FINANCE COSTS

	Six months ended 30 June	
	2018	2017
	HKD'000	*HKD'000*
	(Unaudited)	(Unaudited)
Interest expense on:		
Bank borrowings	**2,138**	1,564
Others borrowings	**4,520**	1
	6,658	1,565

8. (LOSS)/PROFIT BEFORE INCOME TAX

(Loss)/Profit before income tax has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2018	2017
	HKD'000	*HKD'000*
	(Unaudited)	(Unaudited)
Directors' and chief executive's emoluments, including share-based payment expenses of Nil (2017: HKD5,790,000)	**2,139**	9,427
Other staff costs	**1,481**	2,869
Contributions to retirement benefits scheme	**42**	58
Share-based payment expenses for employees	**–**	4,700
Total staff costs	**3,662**	17,054
Auditor's remuneration		
– Audit services – over-provision in prior years	**–**	(81)
– Other services	**250**	769
Allowance for expected credit loss on financial assets, net	**3,383**	–
Direct operating expenses arising from investment properties that generated rental income during the period	**374**	28
Depreciation of property, plant and equipment	**386**	1,025
Minimum lease payments in respect of operating lease of office premises	**590**	1,764

9. INCOME TAX EXPENSES

	Six months ended 30 June	
	2018	2017
	HKD'000	*HKD'000*
	(Unaudited)	(Unaudited)
Hong Kong Profits Tax		
– Charge for the period	**2,151**	378

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

10. DIVIDEND

The directors of the Company do not recommend for payment of a dividend for the six months ended 30 June 2018 (six months ended 30 June 2017: Nil).

11. (LOSS)/EARNINGS PER SHARE

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

	Six months ended 30 June	
	2018	2017
	HKD'000	*HKD'000*
	(Unaudited)	(Unaudited)
(Loss)/Profit for the period attributable to owners of the Company for the purpose of basic and diluted (loss)/earnings per share	**(31,847)**	307,805
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic and diluted (loss)/earnings per share	**10,116,333**	6,382,770
Effect of dilutive potential ordinary shares:		
Share options issued by the Company *(Note)*	**–**	252,783
Weighted average number of ordinary shares for the purpose of diluted (loss)/earnings per share	**10,116,333**	6,635,553

Note:

The computation of diluted loss per share for the six months ended 30 June 2018 did not assume the exercise of the Company's outstanding share options since it would result in a decrease in the loss per share.

12. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the six months ended 30 June 2018, the Group paid approximately of HKD136,000 for the acquisition of property, plant and equipment (six months ended 30 June 2017: HKD16,221,000).

During the six months ended 30 June 2018, the Group disposed of certain items of property, plant and equipment with carrying values amounting to approximately HKD788,000 (six months ended 30 June 2017: Nil) and recognised a loss of approximately HKD488,000 (six months ended 30 June 2017: Nil) in the profit or loss.

During the six months ended 30 June 2017, the Group did not lease out the display store relating to the promotion of e-commerce platform. As at 30 June 2017, the directors of the Company considered that there were still no formal plan agreed with the major customer of the licensing of e-commerce platform and therefore, reassessed the recoverable amount of capital expenditure, with carrying amount approximately of HKD14,760,000, relating to the design and decoration cost of the display store, to be nil. Accordingly, an impairment loss on property, plant and equipment and provision for the onerous contract of the committed lease and other related payments of approximately HKD14,760,000 and HKD8,445,000, respectively, had been recognised during the six months ended 30 June 2017.

The fair value of the Group's investment properties at the end of the reporting period have been arrived at on the basis of a valuation carried out by Roma Appraisals Limited, a firm of independent qualified professional valuers, not connected to the Group. The valuation using direct comparison approach was arrived at by reference to market evidence of recent transaction prices for similar properties in the similar locations and conditions if such information is available.

Fair value gain of HKD14,000,000 of investment properties has been recognised in profit or loss for the six months ended 30 June 2018 (six months ended 30 June 2017: HKD6,000,000). At 30 June 2018, the Group's investment property amounting to approximately of HKD292,000,000 (2017: HKD280,000,000) has been pledged to secure the bank borrowings and other borrowings granted to the Group *(Note 17 and 18)* amounting approximately of HKD108,704,000 and HKD34,906,000 respectively (2017: HKD111,961,000 and Nil). At the same date, another investment property amounting approximately of HKD402,000,000 has been pledged to secure the bank borrowings granted to the Group *(Note 17)* amounting to approximately of HKD136,451,000 (31 December 2017: Nil).

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2018	31 December 2017
	HKD'000	*HKD'000*
	(Unaudited)	(Audited)
Listed securities, at fair value:		
Equity securities listed in Hong Kong	**1,002,062**	–

	HKD'000
Carrying amount as at 31 December 2017 (audited)	–
Reclassified from available-for-sale financial assets	193,504
Reclassified from financial assets at fair value through profit and loss *(Note 14)*	689,000
Additions	321,994
Changes in fair value through other comprehensive income	(202,436)
Carrying amount as at 30 June 2018 (unaudited)	1,002,062

Note:

The fair values of the listed equity securities investments as at 30 June 2018 were determined based on the quoted market closing prices on the Stock Exchange.

At 30 June 2018, the Group's financial assets at fair value through other comprehensive income, with carrying amount of approximately HKD955,273,000 (31 December 2017: Nil), have been pledged to secure the other borrowings granted to the Group *(Note 18)*.

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS/HELD-FOR-TRADING INVESTMENTS

	30 June 2018	31 December 2017
	HKD'000	*HKD'000*
	(Unaudited)	(Audited)
Listed securities, at fair value:		
Equity securities listed in Hong Kong *(Note (i))*	**97,772**	872,620
Loan and interest receivables from investment in film industry *(Note (ii))*	**10,296**	–
	108,068	872,620

For equity securities listed in Hong Kong:	*Notes*	*HKD'000*
Carrying amount as at 31 December 2017 (audited)		872,620
Reclassified to financial assets at fair value through other comprehensive income *(Note 13)*		(689,000)
Additions		176,777
Disposals		(238,818)
Changes in fair value through profit or loss		(23,807)
Carrying amount as at 30 June 2018 (unaudited)		97,772

For loan and interest receivables from investment in film industry:	*HKD'000*
Carrying amount as at 31 December 2017 (audited)	–
Reclassified from loan and interest receivables *(Note 16)*	10,296
Carrying amount as at 30 June 2018 (unaudited)	10,296

Note:

(i) The fair values of the listed equity securities investments as at 30 June 2018 were determined based on the quoted market closing prices on the Stock Exchange.

At 30 June 2018, the Group's financial assets at fair value through profit or loss, with carrying amount of approximately HKD97,772,000 (31 December 2017: HKD789,282,000), have been pledged to secure the other borrowings granted to the Group *(Note 18)*.

(ii) As detailed in Note 4(a)(i), at the date of initial application of HKFRS 9, one of the Group's loans due from an entity engaged in investment in film industry amounted to approximately USD1,320,000 (equivalents to HKD10,296,000) did not fulfill the contractual cash flow characteristics test specified in HKFRS 9, such loan has been reclassified as FVTPL at 1 January 2018. The loan is unsecured, borne fixed interest rate at 8% per annum.

As the Group is entitled an additional return (the "**Upside Return**") from the loan, with reference to sum received or receivable by the Film Production Investor in connection to the provision of distribution services of the film. After assessment on status of the distribution service, the management considered that it was remote to recognise the Upside Return during the period.

Mr. Chen Xiaodong ("**Mr. Chen**"), being a director of the Company, is the sole director of the Film Production Investor, and he has indirect equity interest in the Film Production Investor.

Mr. Chen and Mr. Yu Qingrui ("**Mr. Yu**"), being directors of the Company, agreed to provide guarantee to the Group on the principal receivables, interest receivables and, if any, from the borrower. Other receivables of the Company, disclosed pursuant to Section 383 of the Hong Kong Companies Ordinance (Cap.622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) are as follows:

	Maximum amount outstanding during the period *HKD'000* (unaudited)	**30 June 2018** ***HKD'000*** **(unaudited)**	31 December 2017 *HKD'000* (audited)
Loans to Film Production Investor	10,296	**10,296**	–

15. CRYPTO CURRENCY

As at 31 December 2017, the Group had a receivable of HKD41,500,000 due from a Crypto Currency Vendor, in relation to the sale of certain listed securities during the year ended 31 December 2017.

On 20 February 2018, the Group entered into a sale and purchase agreement with a security customer, who is an independent third party (the "**Crypto Currency Vendor**") to acquire 470 Bitcoins for a consideration of HKD41,500,000. The transaction was completed on 2 March 2018 and all Bitcoins were received on the same time with fair value of approximately HKD41,500,000, which were the consideration used by the Crypto Currency Vendor to settle the outstanding balance due to the Group.

On 2 March 2018, the Group and the Crypto Currency Vendor mutually agreed to set off the payables due to each other.

16. TRADE AND OTHER RECEIVABLES/LOAN AND INTEREST RECEIVABLES

	Notes	**30 June 2018** ***HKD'000*** **(Unaudited)**	31 December 2017 *HKD'000* (Audited)
Trade and other receivables			
Trade receivables	*(i)*	**–**	42,100
Other receivables, deposits and prepayments		**1,832**	2,123
Total trade and other receivables		**1,832**	44,223
Loan and interest receivables			
From investment in film industry (including interest receivables of approximately HKD955,000 (31 December 2017: HKD300,000))	*(ii)*	**10,023**	14,399
For money lending business (including interest receivables of approximately HKD3,186,000 (31 December 2017: HKD2,702,000))	*(iii)*	**387,186**	264,702
Less: expected credit losses		**(23,216)**	–
		363,970	264,702
		373,993	279,101

(i) Trade receivables

On 15 November 2017, the Group entered into a sale and purchase agreement with the Crypto Currency Vendor to dispose of 300,000,000 shares in CSPT for a consideration of HK$43,500,000. On the same date, the transaction was completed. Subsequently, Crypto Currency Vendor has settled HK$2 million within 7 days after the completion, in accordance with the agreement. Please also see Note 15 for subsequent settlement arrangement.

As detailed in Note 15, on 2 March 2018, the Group and the Crypto Currency Vendor agreed to set off the payables due to each other.

No trade receivables at the end of the reporting period (31 December 2017: lease of investment property and securities trading and investment). No interest was charged on the trade receivables.

Before accepting any new customer, the Group gathers the credit information of the potential customer in assessing the customers' credit quality and defines the credit limits for that customer.

Notes:

During the year ended 31 December 2017, the Group requires the tenant to pay in advance on the first day of each and every month and requires the securities customers to pay in accordance to the respective sales and purchase agreements.

The following is an ageing analysis of trade receivables net of allowance for doubtful debts presented based on the invoice dates, which approximated the respective revenue recognition dates:

	30 June 2018	31 December 2017
	HKD'000	*HKD'000*
	(Unaudited)	(Audited)
0 – 30 days	**–**	42,100

As at 1 January 2018, an expected credit loss on the trade receivables of approximately HKD2,688,000 was provided upon transition to HKFRS 9 Financial Instruments. The expected credit loss had been fully reversed due to settlement in full was received during the six months ended 30 June 2018.

(ii) Loan and interest receivables – from investment in film industry

During the six months 30 June 2018, the Group has entered into a loan agreement to provide a loan to the Film Production Investor for film distribution. During the year ended 31 December 2017 the Group has entered into two loan agreements to provide two loans to the Film Production Investor for film distribution.

As detailed in Note 4(a)(i), at the date of initial application of HKFRS 9, one of the loans for investment in film production amounted to approximately USD1,320,000 (equivalent to HKD10,296,000) was unsecured, borne fixed interest rate at 8% per annum with upside return which has contractual cash flows that do not represent solely payments of principal and interest on the principal amount outstanding. Such loan has been reclassified as FVTPL on 1 January 2018.

The other two loans to the Film Production Investor have generated interest income of approximately HKD247,000 during the current period. As at 30 June 2018, the other loan receivables and interest receivables due from the Film Production Investor were approximately United States Dollars ("**USD**") 1,163,000 (equivalent to approximately HKD9,068,000) and USD41,000 (equivalent to approximately HKD319,000), respectively (31 December 2017: USD1,808,000 (equivalent to approximately HKD14,099,000) and USD38,000 (equivalent to approximately HKD300,000)). The loans are unsecured, borne fixed interest rate at 8% to 12% per annum and interest accrued and principal are repayable on the second or third anniversary of the date of the agreements or under the demand of the Group.

Mr. Chen and Mr. Yu agreed to provide guarantee to of the Group in respect of all of the abovementioned loans and related interest. Other receivables of the Company, disclosed pursuant to Section 383 of the Hong Kong Companies Ordinance (Cap.622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) are as follows:

	Maximum amount outstanding during the period *HKD'000* (Unaudited)	**30 June 2018** ***HKD'000*** **(Unaudited)**	31 December 2017 *HKD'000* (Audited)
Loans to Film Production Investor	14,399	**10,023**	14,399

(iii) Loan and interest receivables – from money lending business

The loan receivables from 7 borrowers (31 December 2017: 6 borrowers) are unsecured, borne fixed interest rates at 8% (31 December 2017: ranging from 8% to 10%) per annum and repayable according to the respective loan agreements.

As at 1 January 2018, an expected credit loss on the loan receivables of HKD17,145,000 was provided upon transition to HKFRS 9 Financial Instruments and further increased by HKD6,071,000 during the six months ended 30 June 2018 as detailed in Note 4.

The maturity profile of these loan and interest receivables, net of impairment losses recognised, at the end of the reporting period, analysed by the remaining periods to their contracted maturity, is as follows:

	30 June 2018	31 December 2017
	HKD'000	*HKD'000*
	(Unaudited)	(Audited)
Within 1 year	**222,222**	147,061
More than two years, but not more than five years *(Note)*	**141,748**	117,641
	363,970	264,702

Note:

These loan and interest receivables are not scheduled to be received within one year from the end of the reporting period but contain a repayment on demand clause.

The loan receivables have been reviewed by the management of the Group to assess impairment which are based on the evaluation of collectability, ageing analysis of accounts and on management's judgement, including the current creditworthiness and the past statistics of individually significant accounts or a portfolio of accounts on a collective basis.

During the year ended 31 December 2017, the Group has entered into a loan agreement to lend HKD15,000,000 at a fixed interest rate at 8% per annum to the spouse of Mr. Chen. And in the current period the relevant interest income generated amounted to approximatealy of HKD917,000. The amounts have been fully settled before the end of the reporting period.

During the year ended 31 December 2017, the Group has advanced loans amounted to HKD150,000,000 at a fixed interest rate at 8% per annum to and in current period generated interest income of approximately HKD5,936,000 from China Soft Power Technology Holdings Limited ("**CSPT**"), a company of which Mr. Chen and Mr. Yu are common directors, and of which the Company is a shareholder of CSPT. These loans are unsecured, bearing fixed interest rate at 8% per annum and repayable on the third anniversary of the date of the agreements or under the demand of the Group.

Among the expected credit loss provided, as at 1 January 2018, approximately HKD992,000 and HKD7,620,000 were for loans receivables due from the spouse of Mr. Chen and CSPT respectively. Such provision were decreased to nil and further increased by approximately HKD1,422,000 during the six months ended 30 June 2018 respectively.

Loans receivables of the Company disclosed pursuant to Section 383 of the Hong Kong Companies Ordinance (Cap.622) and the Companies (Disclosure of Information about Benefits of Directors) Regulation (Cap. 622G) are as follows:

	Maximum amount outstanding during the period *HKD'000* (Unaudited)	**30 June 2018** ***HKD'000*** **(Unaudited)**	31 December 2017 *HKD'000* (Audited)
Spouse of Mr. Chen (31 December 2017 including interest receivables of approximately HKD312,000)	15,312	**–**	15,312
Loans to CSPT (including interest receivables of approximately HKD789,000 (31 December 2017: HKD641,000))	150,789	**150,789**	117,641

17. BANK BORROWINGS

	30 June 2018 ***HKD'000*** **(Unaudited)**	31 December 2017 *HKD'000* (Audited)
Secured bank borrowings	**245,155**	111,961

	30 June 2018 ***HKD'000*** **(Unaudited)**	31 December 2017 *HKD'000* (Audited)
Carrying amount scheduled to repay as follow:		
Within one year	**8,379**	2,681
More than one year, but not more than two years	**8,576**	2,756
More than two years, but not more than five years	**27,321**	8,738
More than five years	**200,879**	97,786
	245,155	111,961

	30 June 2018	31 December 2017
	HKD'000	*HKD'000*
	(Unaudited)	(Audited)
Carrying amount of the bank borrowings that are not repayable within one year from the end of the reporting period but contain a repayment on demand clause (shown under current liabilities)	**236,776**	109,280
Carrying amount repayable within one year	**8,379**	2,681
	245,155	111,961

The bank borrowings bear interest at range of HKD Prime Rate – 2.5% and HIBOR (1 month) + 2% per annum at 30 June 2018 (31 December 2017: HKD Prime Rate – 2.5% and HIBOR (1 month) + 2.5% per annum.

At 30 June 2018 and 31 December 2017, the Group's bank borrowings are secured by the investment properties *(Note 12)*.

18. OTHER BORROWINGS

As at 30 June 2018, the other borrowings due to the Securities Broker are guaranteed by the Company and secured by the pledged of financial assets at fair value through other comprehensive income of approximately HKD995,273,000 *(Note 13)* and financial assets at fair value through profit or loss of approximately HKD97,772,000 *(Note 14)*, respectively. The other borrowings due to the Securities Broker are repayable within twelve months from the first drawdown date.

Partial of the other borrowings amounting to approximately HKD111,495,000 due to the Securities Broker are subject to the fulfilment of covenants. At 30 June 2018, a covenant of such borrowings has not been fulfilled.

On 25 April 2018 and 29 June 2018, the Company entered into a master services agreement and a supplemental master services agreement respectively (collectively the "**Master Services Agreement**"), with a subsidiary of CSPT (the "**Margin Financier**"). Pursuant to the Master Services Agreement, the Margin Financier provided a margin loan facility to the Group with daily maximum amounts not exceeding up to HKD100,000,000 and margin loan interest not exceeding HKD8,000,000 per annum. The other borrowings due to the Margin Financier would be repayable on demand and may be varied or terminated in the absolute discretion of the Margin Financier. As at 30 June 2018, such facility has not been utilised.

19. SHARE CAPITAL

	Number of ordinary shares *(Note a)* (Unaudited)	**Number of convertible preference shares** (Unaudited)	**Amount** *HKD'000* (Unaudited)
Ordinary shares of HKD0.001 each			
Authorised:			
At 31 December 2017 and 30 June 2018	249,480,000,000	520,000,000	250,000
Issued and fully issued:			
At 31 December 2017 (Audited)	8,157,187,998	–	8,157
Issuance of shares upon placing *(Note b)*	1,630,000,000	–	1,630
Issuance of shares upon acquisition of a subsidiary *(Note c)*	1,793,103,448	–	1,793
At 30 June 2018 (unaudited)	11,580,291,446	–	11,580

Note:

a) All the ordinary shares which were issued by the Company rank pari passu with each other in all respects.

b) On 11 December 2017, the Company entered into a placing agreement with Central Wealth Securities Investment Limited ("**CWSI**"), a former associate of the Group and acting as a placing agent. Pursuant to the placing agreement, the Company has conditionally agreed to place through CWSI up to 1,630,000,000 placing shares at the placing price of HKD0.145 per placing share to not less than six placees who and whose beneficial owners shall be independent third parties. The placing shares were issued under the general mandate which was granted to the directors at the extraordinary general meeting of the Company held on 31 October 2017. The placing was completed on 2 January 2018. The net proceeds after deducting the placing commission and other related expenses approximately HKD8.3 million, amounted to approximately HKD228 million.

c) Upon completion of the acquisition of Goodview Assets, the Company allotted and issued 1,793,103,448 shares to CSPT.

20. LITIGATION

Development of amount due to Able Success Asia Limited ("Able Success") and repayment on the alleged assigned debt

During the year ended 31 December 2017, the Company received a statutory demand issued by the liquidator of Able Success for the repayment of HKD15,264,000, and a writ of summons and statement of claim issued by 廣東航興貿易有限公司 (Guangdong Hangxing Trading Company Limited*) ("**GHTC**"), alleging that there was a deed of assignment in which Able Success assigned to GHTC a debt of HKD10,000,000 owed by the Company (the "**Assigned Debt**"). GHTC is now claiming against the Company for repayment of the Assigned Debt amounting HKD10,000,000 (the "**GHTC Claim**").

Out of the HKD15,264,000 in the statutory demand, approximately HKD3,766,000 was due from the former wholly-owned subsidiary Great Rich Trading Limited (the "**Great Rich**"). This balance has been disposed of upon disposal of Great Rich on 27 October 2017.

On 27 February 2018, the GHTC Claim filed by GHTC against the Company was abandoned by the High Court, and the Company has agreed to pay a sum of HKD10,000,000 to the High Court for GHTC and Able Success to compete in the interpleader proceedings and to pay approximately HKD566,000 to Able Success directly. On 5 March 2018, the Company has settled the above two amounts.

Subsequent to the above, the amount due to Able Success was reduced to HKD932,000. This balance was further settled by the Company in full during the current period.

In the opinion of the directors of the Company, the Group does not have any liability due to Able Success after those mentioned in above as at 30 June 2018.

Development of the retaking control of the deconsolidated subsidiaries

Pursuant to the Company's announcement dated 25 March 2014, due to the reason of unable to access to the books and records of the subsidiaries, Bloxworth Enterprises Limited and Shanxi Zhanpen Metal Products Co., Limited* ("**Zhanpen**") (collectively the "**Deconsolidated Subsidiaries**"). Given the situation described above, the Group therefore deconsolidated the Deconsolidated Subsidiaries from its consolidated financial statement since 1 January 2013.

Upon the judgement of the People's court of Fenyang county（汾陽市人民法院）(the "**Fenyang Court**") issued on 12 September 2016, former directors of Zhanpen (the "**Former Directors**") are obliged to return the official seal and business certificates of Zhanpen to the Group. The Former Directors filed an appeal to the Fenyang Court on 23 September 2016. After seeking legal advice from its external legal counsel, the Group has also filed an appeal to the Fenyang Court on 8 October 2016.

On 21 February 2017, the appeals were heard at the Lvliang City Intermediate People's Court（呂梁市中級人民法院）(the "**Lvliang Court**"), and the judgement (the "**Judgement**") was issued on 23 May 2017. In the Judgement, the Lvliang Court has dismissed the appeal from the Former Directors. Accordingly, the Former Directors are still obliged to return the official seal and business certificates of Zhanpen to the Group.

Up to the date of this announcement, the Former Directors still not returned the official seal and business certificates of Zhanpen to the Group, and the Fenyang Court has issued an enforcement of the Judgement notice to the Former Directors.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND FINANCIAL REVIEW

The Company is an investment holding company. The Group are principally engaged in (i) securities trading and investment; (ii) provision of financing services; (iii) investment property in Hong Kong; (iv) e-commerce business; and (v) trading business and related services.

In regard to the operational front, the Group recorded a revenue and net realised gain from securities trading and investments of approximately HKD23,712,000 for the six months ended 30 June 2018 (the "**Period**") (2017: HKD83,076,000), representing a decrease of approximately 71% compared with the corresponding period of last year. The decrease in revenue and net realised gain from securities trading and investments was mainly due to no dividend income was recorded during the Period (2017: HKD70,214,000).

The Group reported a net loss of approximately HKD31,847,000 attributable to shareholders of the Company (2017: net profit of HKD307,805,000) and basic loss per share of HK0.31 cents (2017: basic earnings per share of HK4.82 cents) for the Period. The loss was mainly attributed to loss of approximately HKD46,000,000 (2017: net profit of approximately HKD343,654,000) recorded for the segment of securities trading and investment.

Treasury Business

The treasury business includes securities trading and investment business and money lending business.

Securities trading and investment business

The Group's securities trading portfolio comprised of equity securities listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") which comprised of five listed companies in sectors of (1) securities and brokerage; (2) information technology; and (3) financial industry during the Period. The Group identified its investments based on the share price, the gain potential and the future prospect of the investments. The securities investments were classified under financial assets at fair value through other comprehensive income ("**FVTOCI**") (2017: available-for-sale financial assets ("**AFS**") under Hong Kong Accounting Standard ("**HKAS**") 39) and financial assets at fair value through profit or loss ("**FVTPL**") (2017: held-for-trading investments ("**HFT**") under HKAS 39) in the consolidated financial statements.

Hong Kong Financial Reporting Standard ("**HKFRS**") 9 Financial Instruments issued by the Hong Kong Institute of Certified Public Accountants has been effective for annual periods on or after 1 January 2018. Before the adoption of HKFRS 9, the Group held 1,300,000,000 shares ("**CMBC Shares**") in the issued share capital of CMBC Capital Holdings Limited ("**CMBC**", stock code: 1141) which was classified and measured at fair value through profit or loss under HKAS 39. As at 1 January 2018, the Directors assessed the business model of holding such equity investments and concluded that they are not HFT and therefore should be classified as FVTOCI under the new HKFRS 9. Changes in fair value of the 1,300,000,000 CMBC Shares for the Period was recognised in other comprehensive income (rather than in profit or loss under HKAS 39).

Before the adoption of HKFRS 9, the Group also held 224,000,000 CMBC Shares and 553,954,650 shares of China Soft Power Technology Holdings Limited, ("**CSPT**", stock code: 139), which were classified as AFS under HKAS 39 and are measured at fair value through other comprehensive income. Upon the adoption of HKFRS 9 by the Group, such AFS are also designated as FVTOCI and remain to be measured at fair value through other comprehensive income as under HKAS 39 previously.

The Group invested in crypto currency during the Period. As at 30 June 2018, the Group held 470 units of Bitcoins with carrying amount of approximately HKD23,146,000 (2017: Nil). During the Period, the change in fair value of crypto currency amounted to loss of approximately HKD18,352,000 (2017: Nil), suffering from the crypto currency downturn in the second quarter of 2018.

Crypto currencies are digital currencies in which encryption techniques are used to regulate the generation of units of currency and verify the transfer of funds using blockchain technology, operating independently of a central bank. The blockchain is a public record of crypto currency transactions in chronological order. The blockchain is shared between all users in that blockchain. It is used to verify the permanence of transactions and to prevent double spending. Crypto currencies are not issued by any central authority, rendering them theoretically immune to government interference or manipulation. Crypto currencies make it easier to transfer funds between two parties in a transaction and these transfers are facilitated.

According to CoinMarketCap (a website for tracking capitalisation of various crypto currencies), the market capitalisation of the overall crypto currency market had increased approximately 20 times from approximately HKD99.37 billion in January 2016 to approximately HKD2,004.21 billion in June 2018. Having considered the optimistic prospects of blockchain technology and crypto currencies, and the recent performance of the overall crypto currency market, the Board is of the view that crypto currency is an attractive investment and can enhance the returns on cash for the Group.

For the Period, the dividend income on investment in listed equity securities and net realised gain on investment from securities trading and investment segment decreased to approximately HKD4,887,000 (2017: HKD79,574,000). The decrease was due to no dividend income was recorded during the Period (2017: HKD70,214,000). As a whole, the segment recorded a loss of approximately HKD46,000,000 (2017: profit of approximately HKD343,654,000). The loss was mainly due to the unrealised loss of investments under FVTPL of approximately HKD23,807,000 (2017: net unrealised gain of approximately HKD266,514,000) and the unrealised loss of crypto currency investments of approximately HKD18,352,000 (2017: Nil) were recorded during the Period.

During the Period, the Group recorded a net unrealised loss of investments under FVTOCI of approximately HKD202,436,000 (2017: unrealised loss of HKD7,833,000) and an unrealised loss of investments under FVTPL of approximately HKD23,807,000 (2017: net unrealised gain of approximately HKD266,514,000). Approximately 88% and 12% of the unrealised loss of investments under FVTOCI were attributable to the Group's investment in securities of CMBC and CSPT respectively. Approximately 98% of the unrealised loss of investments under FVTPL was attributable to the Group's investment in securities of CSPT.

As at 30 June 2018, details of the securities investments held are as follows:

Name of the investees	Number of shares held	Percentage of equity interests as at 30.06.2018	Closing value as at 30.06.2018	Market value of the interests as at 30.06.2018	Fair value loss for the Period	Dividend Income for the Period	Realised Gain/(loss) for the Period
			HKD	*HKD'000*	*HKD'000*	*HKD'000*	*HKD'000*
FVTOCI							
CMBC (Stock code: 1141)	2,092,760,000	4.571%	0.455	952,206	(177,508)	–	–
CSPT (Stock code: 139)	553,954,650	3.764%	0.090	49,856	(24,928)	–	–
Total				1,002,062	(202,436)	–	–
FVTPL							
CSPT	516,666,666	3.511%	0.090	46,500	(23,250)	–	200
Tencent Holdings Limited (Stock code: 700)	130,000	0.001%	393.800	51,194	(547)	–	(892)
China Literature Limited (Stock code: 772)	1,059	0.000%	73.7000	78	(10)	–	–
Hong Kong Exchange and Clearing Limited (Stock code: 388)	–	–	–	–	–	–	8,077
Total				97,772	(23,807)	–	7,385
Grand-Total				1,099,834	(226,243)	–	7,385

As at 30 June 2018, the Group held securities investment portfolio with market value of approximately HKD1,099,834,000 (including FVTOCI of approximately HKD1,002,062,000 and FVTPL of approximately HKD97,772,000) (31 December 2017: HKD1,066,124,000) and crypto currency investment with market value of approximately HKD23,146,000. Except for the investments in CMBC and CSPT, at 30 June 2018, there was no investment held by the Group which value was more than 5% of the net assets of the Group.

Performance and prospects of the investees

CMBC

Since late June 2017, CMBC had been takenover by China Minsheng Banking Corporation Limited (stock code: 1988) ("**Minsheng**"), one of the largest private banks in the People's Republic of China ("**PRC**") and was ranked #251 on 2017 Fortune 500. Also, the management of CMBC was changed following the takenover. CMBC and its subsidiaries (the "**CMBC Group**") was then principally engaged in the business of brokerage and related services, securities investment and provision of finance. Minsheng has indirect interest in over 60% of the issued shares capital of CMBC as at 30 June 2018.

As mentioned in its interim results announcement for the six months ended 30 June 2018, the CMBC Group's profit attributable to its owners has increased to approximately HKD100.4 million, representing an increase of approximately 29.1% when compared to profit for the six months ended 30 September 2017 of HKD77.8 million. The CMBC Group's basic and diluted earnings per share were both HK0.22 cents (30 September 2017: both HK0.21 cents). Revenue has increased by approximately 360.6% to approximately HKD344.1 million for the six months ended 30 June 2018, compared to approximately HKD74.7 million for the six months ended 30 September 2017. It was mainly due to the contribution from the investment and financing segment and the asset management and advisory segment during the period.

After the takenover by Minsheng, the operation and results of CMBC had been significantly improved. This was mainly attributed by its new management team and the new management team has extensive experience in investment banking industry.

The Company has strong confidence in the experienced and competent management team of CMBC that they can lead CMBC to perform much better in the future and improve the earnings. In view of the strong financial performance and the competent management team of CMBC, as well as the strong background of Minsheng, the Company holds a positive view toward the future performance of CMBC and expects that the Company can obtain fruitful capital gain from the investment in it in long term. The management of the Group considers the investment in CMBC will not be disposed of in short term nor held for trading purpose.

CMBC closed at HKD0.455 as at 30 June 2018, with an increase of approximately 11% from its closing price of HKD0.410 as at 30 June 2017.

CSPT

CSPT and its subsidiaries (the "**CSPT Group**") are principally engaged in the securities and futures dealing business, financial investment, property investments and money lending business.

As mentioned in its annual report for the period from 1 April 2017 to 31 December 2017, the CSPT Group recorded a revenue of approximately HKD228.1 million for the period, compared to the negative revenue of approximately HKD52.1 million for the year ended 31 March 2017. The net profit for the period was approximately HKD368.9 million, compared to the net loss of approximately 156.4 million for the year ended 31 March 2017. Basic earnings per share attributable to ordinary equity holders of the parent for the period was HKD0.03 (31 March 2017: basic loss per share of HKD0.02).

As at 30 June 2018, the Group held total of 553,954,650 CSPT shares (31 December 2017: 553,954,650 CSPT shares under AFS) under FVTOCI which will allow the Company and CSPT to become strategic alliance with a more significant shareholding stake in each other and will allow the Group and CSPT to share its experience and expertise in financial services industry. With its profit made for the period ended 31 December 2017, the Company is with a positive view toward the future performance and expects that can obtain a fruitful capital gain from the 553,954,650 CSPT shares under a long term view.

In order to diversify the portfolio, 516,666,666 CSPT shares under FVTPL (31 December 2017: 616,666,666 CSPT shares under HFT) are intended to be held for short term capital appreciation as at 30 June 2018. Subject to the investment report prepared by the investment team, the Group will realise the investments from time to time where to do so is to be in the best interests of the Group or where the terms on which such realisation to be particularly favourable to the Group.

CSPT closed at HKD0.090 as at 30 June 2018 as compared to HKD0.187 as at 30 June 2017. The Company is confident about the long-term development of the securities industry in Hong Kong, and thus is optimistic on the future prospect of CSPT.

Tencent Holdings Limited ("**Tencent**")

Tencent and its subsidiaries (the "**Tencent Group**") are principally engaged in the provision of value-added services and online advertising services to users in the PRC. Its many services include social network, web portals, e-commerce, online/mobile games and provision of payment related services and other services.

As mentioned in its interim results announcement for the six months ended 30 June 2018, the Tencent Group recorded a revenue of approximately RMB147,203 million for the period (2017: RMB106,158 million). The profit attributable to its equity holders for the six months ended 30 June 2018 increased by 26% to approximately RMB41,157 million (2017: RMB32,707 million). Basic and diluted earnings per Tencent share for the six months ended 30 June 2018 were approximately RMB4.363 (2017: RMB3.480) and approximately RMB4.303 (2017: RMB3.436) respectively.

Tencent closed at HKD393.8 as at 30 June 2018, up approximately 41% from its closing price of HKD279.178 as at 30 June 2017. Tencent is one of the largest internet companies, as well as gaming companies in the world. The Board believes that Tencent will grow with the economy of the PRC and has massive future potential.

China Literature Limited ("**China Lit**")

China Lit, the online reading unit being spun out by Tencent, launched an initial public offering on the Stock Exchange in November 2017. Tencent was deemed to be interested in 57.62% of the issued shares capital of China Lit as at 30 June 2018. China Lit and its subsidiaries (the "**China Lit Group**") are principally engaged in the provision of reading services, copyright commercialisation, writer cultivation and brokerage, operation of text work reading and related open platform, which are all based on text work, and the realisation of these activities through technology methods and digital media including but not limited to personal computers, internet and mobile network in the PRC.

As mentioned in its interim results announcement for the six months ended 30 June 2018, the revenues of the China Lit Group increased by 18.6% on a year-over-year basis to RMB2,282.9 million (2017: RMB1,924.2 million). Profit attributable to equity holders of China Lit increased significantly from RMB212.0 million for the six months ended 30 June 2017 to RMB505.8 million for the six months ended 30 June 2018. China Lit Group's basic earnings per share was RMB0.58 (2017: RMB0.29) and diluted earnings per share was RMB0.57 (2017: RMB0.29).

The closing price of China Lit was HKD73.70 as at 30 June 2018, an increase of approximately 34% of its initial offer price of HKD55.00. The Company is optimistic on the future business prospect and an increase in the stock's valuation of China Lit.

Hong Kong Exchanges and Clearing Limited ("**HKEx**")

HKEx together with its subsidiaries (the "**HKEx Group**") own and operate the only stock and futures markets in Hong Kong and clearing houses.

It was mentioned in HKEx's interim report for the six months ended 30 June 2018, the HKEx Group's total revenue and other income amounted to HKD8,194 million (2017: HKD6,203 million) and the profit attributable to shareholders was HKD5,041 million (2017: HKD3,493 million) for the six months ended 30 June 2018, up 32% and 44% respectively as compared to 2017. The HKEx Group's basic earnings per share was HKD4.07 (2017: HKD2.86) and diluted earnings per share was HKD4.06 (2017: HKD2.85).

As at 30 June 2018, the Group did not hold any HKEx Shares.

Money lending business

A wholly-owned subsidiary of the Group, Globally Finance Limited ("**Globally Finance**"), which held the Money Lenders Licence in Hong Kong since early of 2015, carries a money lending business in Hong Kong. During the Period, Globally Finance generated a revenue with amount of approximately HKD13,570,000 (2017: HKD2,302,000) and a profit of approximately HKD7,370,000 (2017: HKD2,291,000).

As at 30 June 2018, the Group had the gross loan receivables of approximately HKD387,186,000 (31 December 2017: HKD264,702,000). As at 1 January 2018, an expected credit loss on the loan receivables of HKD17,145,000 was provided upon transition to HKFRS 9 Financial Instruments and further increased by HKD6,071,000 as at 30 June 2018. The increase in expected credit loss was due to the increase of loan receivables as at 30 June 2018 as compared with the balance as at 1 January 2018. The loan receivables of approximately HKD264,702,000 as at 31 December 2017 were fully settled during the Period.

Investment properties

The Group is currently holding two residential properties located at (i) No. 19, Cumberland Road, Kowloon Tong, Hong Kong and (ii) No. 1, Lincoln Road, Kowloon Tong, Hong Kong (the "**Lincoln Road Property**").

On 29 December 2017, a subsidiary of the Company entered into a sale and purchase agreement with a subsidiary of CSPT (the "**Vendor**") in relation to the acquisition of the entire equity interests in Goodview Assets Limited ("**Goodview**"), a company incorporated in the British Virgin Islands and all obligations, liabilities and debts owing or incurred by Goodview to the Vendor for an aggregate consideration of HKD260,000,000, which will be satisfied by the allotment and issue of 1,793,103,448 ordinary shares of the Company. Goodview holds the Lincoln Road Property. The acquisition constitutes a major transaction for the Company under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). The transaction and the allotment and issue of the said consideration shares pursuant to a specific mandate were approved by the independent shareholders of the Company at the extraordinary general meeting of the Company held on 13 April 2018. The transaction was completed on 25 April 2018. For more information, please refer to the Company's announcements on 29 December 2017 and 25 April 2018 and the circular dated 20 March 2018.

During the Period, the Group recorded rental income of HKD4,600,000 (2017: HKD1,200,000) and fair value gain of HKD14,000,000 (2017: HKD6,000,000) arising from change in fair value of investment properties from the property investment segment.

The Group will continue to look for opportunity to expand its investment property portfolio in Hong Kong with an aim to generate stable rental income and/or for capital appreciation.

Investment in film industry

China Wisdom Group Limited ("**China Wisdom**"), a wholly owned subsidiary of the Company, has currently entered into agreements with Ocean Wave Motion Pictures (International) Limited ("**Ocean Wave**") in relation to investment and advancements in the following film projects:

Date of agreement	Film project	Investment/ Advancement amount	Annual interest rate	Investment return	Carrying amount of investment as at 30.06.2018 (as at 31.12.2017) *HKD*	Category
12.07.2016	Girls II 《閨蜜2》	RMB12,000,000 (RMB10,800,000 invested as at 30.06.2018)	Nil	subject to the box office revenue of the film	12,960,000 (12,960,000)	Interest in a film right/ a film in progress
21.09.2017	Death Wish 《虎膽追兇》	USD1,320,000	8%	additional upside return (if any)	10,296,000 *(Note)* (Nil)	Financial assets at FVTPL
					636,000 *(Note)* (10,524,000)	Loan and interest receivables
11.10.2017	Two Days 《兩天》	USD487,500	12%	Nil	4,101,000 (3,875,000)	Loan and interest receivables
12.06.2018	Papillon 《巴比龍》	USD675,000	8%	Nil	5,286,000 (Nil)	Loan and interest receivables

Note: The carrying amount of investment in Death Wish was under the category of Loan and interest receivable as at 31 December 2017 which has been classified under two categories (i) Financial assets at FVTPL and (ii) Loan and interest receivables as at 1 January 2018 and 30 June 2018.

Girls II has been released in March 2018 in the PRC, Hong Kong and Taiwan. As at 30 June 2018, the relevant information regarding the box office revenue of the film has not yet been provided by Ocean Wave and no investment return has been paid to the Group. During the Period, China Widsom recorded interest income from the segment of investment in film industry of approximately HKD655,000 (2017: Nil).

The Board considers that the entering into of the above agreements will allow the Group to have a stake in the return of the film as a passive investor whilst the Group needs not to invest the whole film project on its own account or to involve in the production and distribution of the film. Besides, the agreements will allow the Group to have stable return without significant risk exposures.

E-commerce business

During the Period, no revenue was generated (2017: Nil) and a loss of approximately HKD124,000 (2017: HKD27,763,000) was recorded for the segment of E-commerce business. The significant decrease in segment loss was due to no impairment loss on property, plant and equipment was made during the Period (2017: HKD14,760,000) and no provision for the onerous contract of the committed lease and other payments (2017: HKD8,445,000) was provided during the Period. The Group will continue to look for any potential opportunity in the e-commerce business.

Trading business and related services

During the Period, no revenue was generated (2017: Nil) and a loss of approximately HKD1,915,000 (2017: HKD1,003,000) was recorded for the segment of trading business and related services.

LIQUIDITY, FINANCIAL, RESOURCES AND FUNDING

The Group had total cash and bank balances of approximately HKD10,376,000 as at 30 June 2018 (31 December 2017: HKD133,008,000). As at 30 June 2018, the Group had total borrowings of approximately HKD568,953,000 (31 December 2017: HKD261,721,000) comprised with bank borrowings of approximately HKD245,155,000 (31 December 2017: HKD111,961,000) and margin loan payable of approximately HKD323,798,000 (31 December 2017: HKD149,760,000). Among bank borrowings, approximately HKD8,379,000 are repayable within one year, HKD8,576,000 are repayable over one year but not exceeding two years, HKD27,321,000 are repayable over two years but not exceeding five years and HKD200,879,000 are repayable over five years. The bank borrowings bear interest rate at the lower of HKD Prime Rate –2.5% and HIBOR (1 month) +2% per annum.

The margin loan payable bears fixed interest rate at 6% to 9.5% per annum. The margin loan payable is repayable within one year and was guaranteed by the Company. Details are set out in Note 18 to the condensed consolidated interim financial statements.

The gearing ratio, which is calculated as total borrowings divided by total equity, was approximately 34.87% as at 30 June 2018 (31 December 2017: 17.25%). Net assets were approximately HKD1,631,487,000 (31 December 2017: HKD1,516,946,000).

As at 30 June 2018, the Group has total current assets of approximately HKD530,375,000 (31 December 2017: HKD1,341,912,000) and total current liabilities of approximately HKD597,127,000 (31 December 2017: HKD301,685,000). The current ratio of the Group, calculated by dividing total current assets by total current liabilities, was approximately 0.89 as at 30 June 2018 (31 December 2017: 4.45).

The Group's finance costs for the Period was approximately HKD6,658,000 (2017: HKD1,565,000) and was mainly related to interests paid on the bank borrowings and margin loans. The increase in finance cost was mainly due to interest paid for the margin loans.

Foreign Currency Management

The Group has minimal exposure to foreign currency risks as most of its business transactions, assets and liabilities are principally denominated in Hong Kong dollars. The Group currently does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging foreign currency exposure if necessary.

Pledge of Assets

At 30 June 2018, the Group's investment properties with carrying amount of HKD694,000,000 (31 December 2017: HKD280,000,000) have been pledged to secure the bank borrowings granted to the Group.

As at 30 June 2018, the Group had pledged the securities investment under FVTOCI of approximately HKD995,273,000 (31 December 2017: HKD193,504,000) and the securities investment under FVTPL of approximately HKD97,772,000 (31 December 2017: HKD872,620,000) to secure the margin loan payable under the margin accounts.

MATERIAL ACQUISITION OR DISPOSAL OF SUBSIDIARIES

Details of the acquisition of the entire issued share capital of Goodview are set out under "Investment properties" section on page 38.

CONTINUING CONNECTED TRANSACTIONS

Since December 2015, Central Wealth Securities Investment Limited ("**CWSI**"), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of CSPT, has been providing brokerage services and margin financing to Golden Horse Hong Kong Investment Limited, a direct wholly-owned subsidiary of the Company, from time to time.

On 9 September 2017, Globally Finance as lender and CSPT as borrower entered into a loan agreement (the "**Loan Agreement**"), pursuant to which Globally Finance agreed to grant a loan facility to CSPT for a term of three years which was amended and supplemented by a supplemental loan agreement on 19 September 2017.

On 25 April 2018, (i) the Company and CWSI entered into a master services agreement (the "**Master Services Agreement**") in relation to the provision of brokerage services for trading of securities, futures and options contracts in Hong Kong and/or any other overseas exchanges, the granting of margin facilities and corporate finance services in relation to possible fundraising activities of the Group, including but not limited to acting as placing agent or underwriter for the securities of the Company by CWSI to the Group on an ongoing and non-exclusive basis; and (ii) Globally Finance and CSPT entered into a supplemental loan agreement to further increase the facility amount up to HKD270,000,000 and extend the availability period of the Loan Facility to 31 December 2020.

Since completion of the acquisition of the entire issued share capital of Goodview on 25 April 2018, CSPT Group has become a substantial shareholder of the Company. Hence, each of CSPT and its associates, including CWSI, is a connected person of the Company for the purposes of the Listing Rules. Accordingly, the transactions contemplated under the Master Services Agreement and the Loan Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules (the "**CCT**"). As the applicable percentage ratios of the proposed annual caps for the transactions under the Master Services Agreement and the Loan Agreement exceed 5%, the CCT are subject to the approval by the independent shareholders of the Company. The CCT was approved by the independent shareholders of the Company at the extraordinary general meeting of the Company held on 6 August 2018. For more information, please refer to the Company's announcements on 25 April 2018, 29 June 2018 and 6 August 2018 and the circular dated 16 July 2018.

PLACINGS

On 11 December 2017, a placing agreement has been entered into between the Company and CWSI as placing agent in relation to the placing of 1,630,000,000 shares of the Company at the placing price of HKD0.145 (the "**Placing**"). The placing shares of the Company under the Placing were issued under the general mandate which was granted to the Directors at the extraordinary general meeting of the Company held on 31 October 2017. The Placing was completed on 2 January 2018.

EMPLOYEES AND REMUNERATION POLICIES

At 30 June 2018, the Group had 14 employees including Directors (31 December 2017: 15) situated in Hong Kong. The Group's emoluments policies are formulated based on industry practices and performance of individual employees. For the Period, the total staff costs including remuneration of Directors and chief executives amounted to approximately HKD3,662,000 (2017: HKD17,054,000).

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the Period (2017: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any shares of the Company during the Period,

EVENTS AFTER THE REPORTING PERIOD

Save as the CCT set out under "Continuing Connected Transactions" section on page 42, the Group had no other material event after the reporting period.

PROSPECTS

The global uncertainties and the economic and trading relationship between the United States and the PRC are getting more dynamic with uncertainty during the reporting period. The increase of daily quotas for the Hong Kong-Shanghai and the Hong Kong-Shenzhen stock links with effective from 1 May 2018 and the PRC government's measures to open its financial market wider to foreign investors, including the allowance of foreign investors to take a maximum 51 per cent equity stake in brokerage firms, futures companies and fund management firms may facilitate cross-border investments and benefit the stock market in Hong Kong. It is believed that the investment returns from Hong Kong are still attractive when compared to other global markets.

Residential property sales in Hong Kong remained rather stable during the reporting period. The risk of a downturn of the property market in Hong Kong is still under the shadow of increasing mortgage interest rate.

The Group will from time to time review and adjust its investment portfolio of securities and property investment strategy if and when necessary. It will continue to identify and pursue profitable investment opportunities to expand its sources of revenue and enhance its business prospects.

CORPORATE GOVERNANCE

The Company has complied with all code provisions of the Corporate Governance Code (the "**CG Code**") throughout the Period as set out in Appendix 14 of the Listing Rules except for the following deviations:

Code provision A.4.1 of the CG Code stipulates that non-executive directors should be appointed for a specific term. Two independent non-executive directors, namely Mr. Siu Siu Ling, Robert and Mr. Tam Tak Wah are appointed with no specific term. All independent non-executive directors are subject to the requirement to retire by rotation at least once every three years. The Board considers that the requirement has the same effect of accomplishing the same objective as a specific term of appointment.

EXTRACT OF INDEPENDENT REVIEW REPORT

The interim financial report for the Period has not been audited, but has been reviewed by Moore Stephens CPA 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, whose unmodified review report is included in the interim report to be sent to shareholders.

Moore Stephens CPA Limited expressed an unmodified conclusion with a Material Uncertainty Related to Going Concern section in its report. An extract of Moore Stephens CPA Limited's conclusion is set out below:

"Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Material Uncertainty Related To Going Concern

We draw attention to note 2 to the condensed consolidated interim financial statements which indicates that the Group incurred a net loss of approximately HKD31,847,000 for the six-month ended 30 June 2018 and, as of that date, the Group has net current liabilities of approximately HKD66,752,000. These conditions indicate a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter."

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. Having made specific enquiry with the existing directors of the Company, all of them confirmed that they have complied with the required standards set out in the Model Code throughout the Period.

The Company also adopted a code on no less exacting terms than the Model Code to regulate dealings in the securities of the Company by certain employees of the Group who are considered to be likely in possession of inside information in relation to the Company or its securities.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The unaudited condensed consolidated financial statements of the Company for the Period had been reviewed by the Audit Committee of the Company before they were duly approved by the Board under the recommendation of the Audit Committee.

PUBLICATION OF INFORMATION ON WEBSITES

This results announcement is available for viewing on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.fw-fh.com The interim report for the Period containing all the information required by Listing Rules will be despatched to shareholders of the Company and available on the same websites in due course.

By order of the Board
Future World Financial Holdings Limited
Siu Yun Fat
Chairman

Hong Kong, 27 August 2018

As at the date of this announcement, the Board comprises (i) five executive Directors, namely Mr. Siu Yun Fat, Mr. Chen Xiaodong, Mr. Cai Linzhan, Mr. Lau Fai Lawrence and Mr. Yu Qingrui; and (ii) three independent non-executive Directors, namely Mr. Siu Siu Ling, Robert, Mr. Tam Tak Wah and Mr. Zheng Zongjia.