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.

CTVISION
中 天 宏 信

CT Vision (International) Holdings Limited
中天宏信(國際)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 994)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2019

INTERIM RESULTS

The Board (the "Board") of directors (the "Directors") of CT Vision (International) Holdings Limited (the "Company") announces the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2019, together with comparative figures of the corresponding period in 2018.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2019

		Six months ended 30 June	
		2019	2018
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
Revenue	3	**104,468**	325,215
Direct costs		**(72,549)**	(275,766)
Gross profit		**31,919**	49,449
Other income	4	**3,701**	185
General and administrative expenses		**(21,416)**	(28,260)
Profit from operations		**14,204**	21,374
Finance costs	5(a)	**(2,134)**	(1,448)
Profit before tax	5	**12,070**	19,926
Income tax expense	6	**(1,729)**	(3,816)
Profit for the period		**10,341**	16,110
Other comprehensive (expense) income for the period			
Item that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translating foreign operations		**(39)**	1
Profit and total comprehensive income for the period		**10,302**	16,111
Earnings per share			
Basic and diluted	7	**HK1.69 cents**	HK3.09 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2019

	Notes	As at 30 June 2019 (Unaudited) HK$'000	As at 31 December 2018 (Audited) HK$'000
Non-current assets			
Property, plant and equipment		**1,425**	8,122
Right-of-use assets		**18,418**	–
Financial assets at fair value through profit or loss		**24,267**	–
Goodwill		**21,670**	21,670
Deferred tax assets		**497**	313
		66,277	30,105
Current assets			
Contract assets		**220,870**	336,737
Trade and other receivables	*9*	**278,065**	165,503
Cash and bank balances		**43,261**	52,520
		542,196	554,760
Current liabilities			
Contract liabilities		**6,848**	5,238
Trade and other payables	*10*	**100,164**	119,955
Amount due to a holding company		**6,000**	–
Lease liabilities		**7,673**	–
Obligations under finance leases		**–**	3,005
Bank loans and overdrafts		**92,786**	80,890
Tax payable		**9,645**	7,448
		223,116	216,536

	As at 30 June 2019 (Unaudited) *HK$'000*	As at 31 December 2018 (Audited) *HK$'000*
Net current assets	**319,080**	338,224
Total assets less current liabilities	**385,357**	368,329
Non-current liabilities		
Loans from related parties	**21,488**	20,888
Lease liabilities	**10,834**	–
Obligations under finance leases	**–**	4,555
	32,322	25,443
NET ASSETS	**353,035**	342,886
CAPITAL AND RESERVES		
Share capital	**6,120**	6,120
Reserves	**346,915**	336,766
TOTAL EQUITY	**353,035**	342,886

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENT

1. BASIS OF PREPARATION

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

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, that are measured at fair values at the end of each reporting period.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those presented in the Group's annual financial statements for the year ended 31 December 2018.

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 16	Leases
HK(IFRIC) – Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle

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

2.1 Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)–Int 4 "Determining whether an Arrangement contains a Lease" and not apply this standards to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

i. relied on the assessment of whether leases are onerous by applying HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" as an alternative of impairment review;

ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

iii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application;

On transition, the Group has made the following adjustments upon application of HKFRS 16:

The Group recognised lease liabilities of HK$12,243,000 and right-of-use assets of HK$10,612,000 at 1 January 2019.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average lessee's incremental borrowing rate applied is 5.125%.

	At 1 January 2019 *HK$'000*
Operating lease commitments disclosed as at 31 December 2018	7,623
Add: Extension options reasonably certain to be exercised	522
Less: Change in allocation basis between lease and non-lease compensate	(3,324)
	4,821
Lease liabilities discounted at relevant incremental borrowing rates upon application of HKFRS 16	4,683
Add: Obligation under finance leases recognised at 31 December 2018	7,560
Lease liabilities as at 1 January 2019	12,243
Analysed as	
Current	6,058
Non-current	6,185
	12,243

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

	Right-of-use assets *HK$'000*
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	4,530
Assets previously under finance leases included in property, plant and equipment under HKAS 17 *(Note)*	6,082
	10,612
By class:	
Land and buildings	4,530
Solar power plant	5,894
Motor Vehicles	188
	10,612

Note:

In relation to assets previously under finance leases, the Group recategorised the carrying amounts of the relevant assets which were still under lease as at 1 January 2019 amounting to HK$6,082,000 as right-of-use assets. In addition, the Group reclassified the obligations under finance leases of HK$3,005,000 and HK$4,555,000 to lease liabilities as current and non-current liabilities respectively at 1 January 2019.

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

	Carrying amounts at 31 December 2018	**Impact on adoption of HKFRS 16**	**Carrying amounts at 1 January 2019**
	HK$'000	***HK$'000***	***HK$'000***
Non-current assets			
Property, plant and equipment	8,122	**(6,082)**	**2,040**
Right-of-use assets	–	**10,612**	**10,612**
Current liabilities			
Lease liabilities	–	**6,058**	**6,058**
Obligations under finance lease	3,005	**(3,005)**	**–**
Non-current liabilities			
Obligations under finance lease	4,555	**(4,555)**	**–**
Lease liabilities	–	**6,185**	**6,185**
Capital and Reserves			
Retained profits	128,521	**(153)**	**128,368**

3. REVENUE AND SEGMENT INFORMATION

The Group manages its businesses by business lines. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

– Construction contracts: this segment provides foundation and general building works to customers in Hong Kong and Saipan.

– Sales of piles: this segment covers sales of piles to customers in Hong Kong.

– Construction of solar power plants and sales of electricity: this segment covers construction of solar power plants and sales of electricity in the People's Republic of China ("PRC").

For the purpose of assessing segment performance and allocating resources between segments, the Group's most senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to revenue generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation of assets attributable to those segments. The measure used for reporting segment profit is profit before taxation except that unallocated corporate expenses are excluded from this measurement.

Information regarding the Group's reportable segment as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below:

	Six months ended 30 June 2019 (Unaudited)			
	Construction contracts	**Sales of piles**	**Construction of solar power plants and sales of electricity**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Revenue from external customers	**82,409**	**2,857**	**19,202**	**104,468**
Reportable segment revenue	**82,409**	**2,857**	**19,202**	**104,468**
Reportable segment profit	**12,108**	**(243)**	**1,006**	**12,871**
Interest expenses	**1,818**	**–**	**316**	**2,134**
Depreciation for the period	**2,464**	**–**	**1,174**	**3,638**
Additions to non-current segment assets during the period	**27,158**	**–**	**15,527**	**42,685**

	Six months ended 30 June 2018 (Unaudited)		
	Construction contracts	Sales of piles	Total
	HK$'000	*HK$'000*	*HK$'000*
Revenue from external customers	271,720	53,495	325,215
Reportable segment revenue	271,720	53,495	325,215
Reportable segment profit	13,231	9,955	23,186
Interest expenses	1,448	–	1,448
Depreciation for the period	393	–	393
Additions to non-current segment assets during the period	92	–	92

4. OTHER INCOME

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Rental income from lease of machinery	**1,411**	108
Forfeited deposits *(Note)*	**935**	–
Bank interest income	**512**	76
Gain on disposal of property, plant and equipment	**470**	–
Others	**373**	1
	3,701	185

Note: Amounts represented deposits forfeited by customers for the cancellation of construction of solar power plants and sales of electricity projects.

5. PROFIT BEFORE TAX

Profit before tax is arrived at after charging (crediting):

		Six months ended 30 June	
		2019	2018
		(Unaudited)	(Unaudited)
		HK$'000	*HK$'000*
(a)	**Finance costs**		
	Interest on bank overdrafts	**263**	24
	Interest on bank loans	**1,438**	1,245
	Interest on lease liabilities	**433**	–
	Finance charges on obligation under finance leases	**–**	179
		2,134	1,448
(b)	**Staff costs (including directors' remuneration)**		
	Contribution to defined contribution retirement plans	**915**	1,417
	Salaries, wages and other benefits	**28,454**	49,281
		29,369	50,698
	Less: Amount included in direct costs	**(19,130)**	(40,173)
		10,239	10,525
(c)	**Other items**		
	Depreciation of property, plant and equipment	**710**	2,408
	Depreciation of right-of-use assets	**3,237**	–
	Less: Amount included in direct costs	**(309)**	(2,015)
		3,638	393
	Operating lease charges:		
	Minimum lease payments in respect of leasing of properties	**–**	2,576
	Less: Amount included in direct costs	**–**	(269)
		–	2,307
	Cost of goods sold	**2,429**	42,840
	Impairment losses for trade and other receivables and contract assets	**560**	1,227

6. INCOME TAX EXPENSE

Income tax expense in the condensed consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current tax		
Hong Kong Profits Tax	**1,661**	3,249
PRC Enterprise Income Tax	**252**	–
	1,913	3,249
Deferred tax		
Current period	**(184)**	567
	1,729	3,816

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. The profits of group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

7. EARNINGS PER SHARE

(a) Basic earnings per share

The basic earnings per shares is calculated based on the profit for the period of HK$10,341,000 (2018: HK$16,110,000) and the weighted average of 612,000,000 ordinary shares (2018: 520,839,779 ordinary shares) for the six months ended 30 June 2019.

(b) Diluted earnings per share

There were no potential dilutive shares in existence during the six months ended 30 June 2019 and 2018 and, therefore, diluted earnings per share are the same as the basic earnings per share.

8. DIVIDEND

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2019 (2018: HK$Nil).

9. TRADE AND OTHER RECEIVABLES

As of the end of the reporting period, the ageing analysis of trade debtors, based on the invoice date and net of loss allowance, is as follows:

	At 30 June 2019 (Unaudited) ***HK$'000***	At 31 December 2018 (Audited) *HK$'000*
Within 1 month	**22,034**	27,342
1 to 2 months	**2,092**	3,658
2 to 3 months	**678**	4,872
Over 3 months	**129,332**	57,533
Trade debtors, net of loss allowance	**154,136**	93,405
Deposits, prepayments and other receivables	**99,878**	52,267
Retentions receivable, net of loss allowance	**24,051**	19,831
	278,065	165,503

In respect of trade and other receivables, individual credit evaluations are performed as part of the acceptance procedures for new contracts. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Trade receivables from both of construction contracts business and sales of piles business are due within 0-60 days from the date of billing. Trade receivables from construction of solar power plants and sales of electricity business are due within 0-120 days from the date of billing.

10. TRADE AND OTHER PAYABLES

As of the end of the reporting period, the ageing analysis of trade creditors, based on the invoice date, is as follows:

	At 30 June 2019 (Unaudited) *HK$'000*	At 31 December 2018 (Audited) *HK$'000*
Within 1 month	**14,118**	11,960
1 to 2 months	**5,452**	9,562
2 to 3 months	**5,474**	8,751
Over 3 months	**24,399**	22,113
Trade creditors	**49,443**	52,386
Other payables and accruals	**24,562**	40,252
Retentions payable	**26,159**	27,317
	100,164	119,955

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The principal activities of the Group are the provision of construction services which mainly include (a) foundation works and ancillary services and general building works; (b) sales of piles; and (c) construction of solar power plants and sales of electricity.

In October 2014, the Group entered into a construction contract in Saipan, the Commonwealth of the Northern Mariana Islands ("CNMI") (the "Saipan Project") as a main contractor, providing foundation works and ancillary services and general building works, which is a construction project of a resort hotel located at San Antonio, Saipan, CNMI. The foundation works and ancillary services commenced from May 2015 to October 2015. The general building works commenced in May 2016 and was preliminary expected to complete in or around February 2018. However, due to (i) the inclement weather; (ii) change of policy on workers visa application, such that a substantial amount of workers could not obtain the necessary work permit for carrying out the work in Saipan; (iii) the change in design as instructed by the customer; and (iv) the permit for this work not having been obtained, the progress of the Saipan Project was hindered. On 19 March 2018, the customer has issued a letter to us indicating its agreement to our application for extension of time and the completion date of the Saipan Project was extended to February 2019. During the six months ended 30 June 2019 and up to the date of this interim results announcement, the aforementioned factors are still affecting the progress of the Saipan Project. The Saipan Project is now expected to complete in December 2019 and the Board will continue to closely monitor the progress of the Saipan Project. Since the delay was not due to factors attributable to the fault of our Group, we have delivered the notification of delay to the customer.

Construction services

As at 30 June 2019 the Group had a total of 10 contracts on hand (31 December 2018: 8 contracts) (including contracts in progress and contracts yet to be commenced). The amount of contact sum yet to be recognised as at 30 June 2019 amounted to approximately HK$353.9 million (31 December 2018: HK$386.0 million).

Foundation Works and Ancillary Services

Foundation works mainly include mini-piling, percussive piling, rock socketed in steel H-pile and bored pile, together with construction of pile caps. Ancillary services mainly include site formation and demolition works, for example, clearance of the site, excavation, demolition of a building or any substantial part of a building.

During the six months ended 30 June 2019, there were 16 (2018: 9) foundation works and ancillary services projects contributing revenue of approximately HK$47.1 million (2018: HK$36.4 million) to this business segment.

General Building Works

General building works mainly include structural alteration and additional works, development of superstructures such as entire dwelling, office buildings, stores, public utility buildings and farm buildings, etc.

During the six months ended 30 June 2019, there were 6 (2018: 9) general building works projects contributing revenue of approximately HK$35.3 million (2018: HK$235.3 million) to this business segment. The decrement is mainly due to most of the general building work projects of the Group on hands were at their ending phase, with revenue already recognised in prior years.

Sales of Piles

The piles are manufactured and supplied by 廣州羊城管樁有限公司 (“GZYC”), the related party of the Company. Win Win Way Materials Supply Limited, the indirect wholly owned subsidiary of the Company, has been granted the exclusive distribution right by GZYC for its pile products in Hong Kong from August 2010 to July 2020. The piles sourced from GZYC are “YANGCHENG” precast prestressed concrete piles.

During the six months ended 30 June 2019, sales of piles contributed approximately HK$2.9 million (2018: HK$53.5 million) revenue to the Group. The decrement is mainly due to decrease in the demand of concrete piles used for certain geological areas with different soil type.

Construction of Solar Power Plants and Sales of Electricity

The acquisition of 100% equity interest of TIEN New Energy Development Limited ("TIEN New Energy") was completed on 6 July 2018. TIEN New Energy is an investment holding company and its subsidiaries are principally engaged in engineering development and qualified form main engineering, procurement and construction ("EPC") in electric power projects in the PRC with a focus in application of renewable in the construction sector of the PRC.

During the six months ended 30 June 2019, construction of solar power plants and sales of electricity contributed approximately HK$19.2 million revenue of the Group (2018: $Nil). As at the date of this interim results announcement, the Group had a total of 2 contracts on hand (including contracts in progress and contracts yet to be commenced) (31 December 2018: 5 contracts) and the relevant awarded contract sum of these contracts on hand amounted to approximately RMB189.8 million (31 December 2018: RMB201.0 million).

PROSPECTS

In the 2018 Policy Address of the Chief Executive of the Hong Kong Special Administrative Region, the Hong Kong SAR Government has pledged to plan more public housing to meet the growing demand for residential properties, it is expected that the general building works in the public sector will grow substantially. Coupled with the increasing demand for private domestic units in Hong Kong, the demand in the public and private sectors will jointly promote the development of the foundation works industry.

However, the bidding price of the participants in the Hong Kong construction market was fierce, the contract sum for new construction projects awarded of the Group for the six months ended 30 June 2019 was significantly lower than that of the same period last year. The downward pressure on the economy has also significantly suppressed profit margins of construction projects, affecting the number of winning bids of the Group. Therefore, only 4 new contracts of contract sum HK$16.6 million were awarded for the Foundation Works and Ancillary Services during the first half of 2019 (first half of 2018: 3 new contracts of contract sum HK$41.4 million), and no new contract was awarded for general construction project (first half of 2018: nil new contract). Together with certain construction projects were in the ending phrase, the overall revenue dropped substantially as compared with the corresponding period last year.

To respond to market environment challenges, apart from continuing to target the local public and private sector projects by the Group to broaden the customer base, after the introduction of the strategic shareholders in April 2019, the new management is also actively considering the development of green building construction projects in domestic and overseas markets on a basis of its existing businesses, with the experience and technology of applying renewable energy in the construction industry by the strategic shareholders, the construction of renewable energy projects and the application of energy-saving measures to the properties to be built will provide customers with more comprehensive construction services to enhance their competitiveness in tendering for construction contracts. The Group has successfully entered into certain project contracts of the Foundation Works and Ancillary Services after the reporting period of the interim results. The Group will consider to improve service quality by applying renewable energy and energy-saving measures in one of the foundation Works and Ancillary Services projects located on Lantau Island.

In order to broaden the earning base, the Group strives to find suitable investment opportunities. Being the new driving force of revenue of the Group, TIEN New Energy contributed revenue of HK$19.2 million during the six months ended 30 June 2019 for the Group, it is expected that through energy performance contracting construction for buildings and infrastructures, will diversify the Group's source of income stream.

FINANCIAL REVIEW

During the six months ended 30 June 2019, the Group's unaudited consolidated revenue amounted to approximately HK$104.5 million (2018: HK$325.2 million). The decrease was mainly attributable to (i) revenue from general building works projects decreased from approximately HK$235.3 million during the six months ended 30 June 2018 to approximately HK$35.3 million during the six months ended 30 June 2019; and (ii) revenue from sales of piles decreased from approximately HK$53.5 million during the six months ended 30 June 2018 to approximately HK$2.9 million during the six months ended 30 June 2019.

Since (i) most of the general building work projects of the Group on hands were at their ending phase, with revenue already recognised in prior years; (ii) only four new contracts for the foundation works and ancillary services were awarded during the six months ended 30 June 2019; and (iii) no new contract for general building work projects was awarded during the six months ended 30 June 2019, the Group's gross profit decreased from approximately HK$49.4 million during the six months ended 30 June 2018 to approximately HK$31.9 million during the six months ended 30 June 2019. But the Group's gross profit margin increased significantly from approximately 15.2% during the six months ended 30 June 2018 to approximately 30.6% during the six months ended 30 June 2019. The main reason for the increment was mainly contributed by the corresponding costs from certain foundation works and ancillary services and general building works projects have been recognised in prior years. The Directors consider that the overall gross profit margin has been maintained at a healthy position throughout the period.

General and administrative expenses (the "G&A Expenses") primarily comprise staff costs, business development expenses, transportation expenses, depreciation, bank charges, office expenses and professional charges. The G&A Expenses for the relevant period decreased by HK$6.9 million to approximately HK$21.4 million, compared with approximately HK$28.3 million in last corresponding period, which was mainly due to the non-recurring placing expenses of approximately HK$2.7 million incurred in last period.

As a result, profit for the six months ended 30 June 2019 has decreased to approximately HK$10.34 million, representing a decrease of approximately 35.81% over the corresponding period of approximately HK$16.11 million in 2018.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

	As at 30 June 2019	As at 31 December 2018
Current ratio[1]	**2.4**	2.6
Gearing ratio (%)[2]	**39.3**	31.9
Net debt to equity ratio (%)[3]	**27.1**	16.6
Interest coverage ratio[4]	**6.7**	6.7

Notes:

1. Current ratio based on the total current assets divided by the total current liabilities.

2. Gearing ratio based on the total debt (which includes bank loans and overdrafts, lease liabilities, amount due to a holding company and loans from related parties) divided by total equity and multiplied by 100%.

3. Net debt to equity ratios based on net debts (which include bank loans and overdrafts, lease liabilities, amount due to a holding company and loans from related parties less cash and bank balances) divided by total equity and multiplied by 100%.

4. Interest coverage based on the profit before taxation and interest divided by the total interest expenses incurred.

Current ratio decreased from 2.6 as at 31 December 2018 to 2.4 as at 30 June 2019, as a result of decrease in contract assets. Gearing ratio increased from 31.9% as at 31 December 2018 to 39.3% as at 30 June 2019, mainly due to the effect of increased in bank loans and overdrafts and loans from related parties larger than the effect of increased in equity. Net debt to equity ratio increased from 16.6% as at 31 December 2018 to 27.1% as at 30 June 2019, mainly due to the increase in bank loans and loans from related parties. Interest coverage ratio remained unchanged as 6.7%.

As at 30 June 2019, the Group had cash and bank balances of approximately HK$43.3 million (31 December 2018: HK$52.5 million). The Group expected to fund the future cash flow needs through internally generated cash flows from operations, bank facilities, amount due to a holding company and equity financing.

The capital structure of the Group consisted of equity of approximately HK$353.0 million (31 December 2018: HK$342.9 million) and debts (bank loans, lease liabilities, amount due to a holding company and loans from related parties) of approximately HK$138.8 million (31 December 2018: HK$109.3 million) as at 30 June 2019.

The Group adopts a prudent approach in cash management. Apart from certain debts including bank loans, lease liabilities, amount due to a holding company and the loans from related parties, the Group did not have any material outstanding debts as at 30 June 2019. In any case, the Group may utilise its banking facilities of HK$110.0 million (31 December 2018: HK$110.0 million), of which approximately HK$4.6 million (31 December 2018: HK$10.3 million) remain unused as at 30 June 2019. As at 30 June 2019, the lease liabilities of a solar power plant granted to the Group was secured by the trade receivables in relation to sales of electricity amounted to HK$485,000 (31 December 2018: HK$141,000) and registered capital of a wholly-owned subsidiary amounted to RMB10.0 million (31 December 2018: RMB10.0 million).

DIVIDEND

The Directors did not recommend the payment of an interim dividend for the six months ended 30 June 2019 (2018: $Nil).

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained the prescribed public float under the Listing Rules from the Listing Date and up to the date of this interim results announcement.

CORPORATE GOVERNANCE

During the six months ended 30 June 2019, the Company has complied with all the code provisions as set out in the Corporate Governance Code (the “CG Code”) contained In Appendix 14 to the Listing Rules, except for the followings:

(a) Code provision E.1.2 stipulates that the chairman of the board should attend the annual general meeting. The chairman should also invite the chairman of the audit, remuneration, nomination and any other committees to attend.

    The chairlady was absent in the annual general meeting, and appointed and authorised Mr. Lee Kai Lun, an executive Director, to act on her behalf at the annual general meeting.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of the Listed Issuers contained in Appendix 10 to the Listing Rules as its own code of conduct of dealings in securities of the Company by Directors (the "Model Code"). Upon specific enquiries of all the Directors, each of them confirmed that they have complied with the required standards set out in the Model Code during the period.

SIGNIFICANT EVENTS

Change of Controlling Shareholder

On 25 January 2019, Condover Assets Limited (as vendor) and Dr. Kan Hou Sek, Jim, Mr. Lee Sai Man and Mr. Wong Siu Kwai (as guarantors of CT Vision Investment Limited) entered into an agreement (the "**Sale and Purchase Agreement**") with CT Vision Investment Limited (as purchaser), pursuant to which CT Vision Investment Limited acquired 312,120,000 Shares (representing 51% of the entire issued share capital of the Company at the relevant time) at a consideration of HK$262,180,800, equivalent to HK$0.84 per share.

Following completion of the Sale and Purchase Agreement on 19 February 2019, CT Vision Investment Limited made an unconditional mandatory cash offer (the "**Offer**") to acquire all the issued Shares of the Company not already owned and/or agreed to be acquired by it or parties acting in concert with it at a price of HK$0.84 per Share. Immediately after the close of the Offer on 24 April 2019, CT Vision Investment Limited was interested in additional 40,000 Shares, representing approximately 0.0065 % of the entire issued share capital of the Company.

Please also refer to the joint announcement issued by the Company and CT Vision Investment Limited dated 14 February 2019, the composite document issued by the Company and CT Vision Investment Limited on 3 April 2019, and the joint announcement issued by the Company and CT Vision Investment Limited dated 24 April 2019.

Change of Directors

(1) Due to a change in control of the Company, after the close of the Offer on 24 April 2019, Mr. Lee Sai Man, Mr. Wong Siu Kwai and Mr. Kwong Po Lam (the "**Resigned Directors**") resigned as executive Directors with effect from 26 April 2019.

Following the resignation of the Resigned Directors,

(a) Mr. Wu Rui was appointed as an executive Director and the vice chairman of the Board;

(b) Dr. Ho Chun Kit Gregory was appointed as an executive Director and the chief executive officer;

(c) Ms. Du Yi was appointed as a non-executive Director and the chairlady of the Board;

(d) Ms. Yip Man Shan was appointed as a non-executive Director; and

(e) Dr. Kan Hou Sek, Jim resigned as one of the authorised representatives of the Company and Dr. Ho Chun Kit Gregory was appointed as one of the authorised representatives of the Company.

(2) With effect from 16 July 2019,

(a) Mr. Fan Siu Kay resigned as an independent non-executive Director;

(b) Mr. Leung William Wai Kai resigned as an independent non-executive Director;

(c) Mr. Lo Chi Leung resigned as an independent non-executive Director;

(d) Ms. Ng Yi Kum, Estella was appointed as an independent non-executive Director of the Company;

(e) Mr. Wong Wing Cheong Philip was appointed as an independent non-executive Director of the Company; and

(f) Dr. Tang Dajie was appointed as an independent non-executive Director of the Company.

(3) With effect from 24 July 2019, Dr. Kan Hou Sek, Jim resigned as executive Director.

Change of Company Name and Stock Short Name

On 14 June 2019, the special resolution approving the change of the English name of the Company from "Win Win Way Construction Holdings Ltd." to "CT Vision (International) Holdings Limited" and the adoption of "中天宏信(國際)控股有限公司" as the dual foreign name in Chinese of the Company was duly passed by the Shareholders at the EGM held on 14 June 2019.

Accordingly, the English stock short name of the Company was changed from "WIN WIN WAY'" to "CT VISION" and the Chinese stock short name of the Company was changed from "恆誠建築" to "中天宏信" for trading in the shares of the Company on the Stock Exchange, with effect from 5 August 2019.

EVENT AFTER THE REPORTING PERIOD

There is no other material subsequent event undertaken by the Company or the Group after 30 June 2019 and up to the date of this interim results announcement.

AUDIT COMMITTEE

An Audit Committee was established by the Board with written terms of reference which are consistent with the provisions as set out in the CG Code. The Audit Committee comprises three independent non-executive Directors, namely, Ms. Ng Yi Kum, Estella (chairlady of the Audit Committee), Mr. Wong Wing Cheong Philip and Dr. Tang Dajie.

The Audit Committee is principally responsible for reviewing with the management of the Company the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the Group's unaudited interim financial report for the six months ended 30 June 2019.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the Company's website at www.ctvision994.com and the Stock Exchange's website at www.hkexnews.hk. The interim report will be despatched to shareholders and will also be published on the websites of both the Stock Exchange and the Company 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 associates and other professional parties for their support throughout the period.

By order of the Board
CT Vision (International) Holdings Limited
Ho Chun Kit Gregory
Chief executive officer and executive Director

Hong Kong, 28 August 2019

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Wu Rui, Dr. Ho Chun Kit Gregory, Mr. Lee Kai Lun and Mr. Guo Jianfeng, two non-executive Directors, namely Ms. Du Yi and Ms. Yip Man Shan and three independent non-executive Directors, namely Ms. Ng Yi Kum, Estella, Mr. Wong Wing Cheong Philip and Dr. Tang Dajie.