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CHINLINK
普匯中金

CHINLINK INTERNATIONAL HOLDINGS LIMITED
普 匯 中 金 國 際 控 股 有 限 公 司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 0997)

ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019

The board (the "**Board**") of directors (the "**Directors**") of Chinlink International Holdings Limited (the "**Company**" or "**Chinlink**") hereby announces the unaudited interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 September 2019 (the "**Period**"), together with the comparative figures as follows:–

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2019

	NOTES	**Six months ended 30 September 2019**	2018
		HK$'000	*HK$'000*
		(unaudited)	(unaudited)
Revenue	*3*		
Goods and services		**307,778**	802,339
Rental		**19,675**	13,184
Interest			
– Interest from finance lease receivables		**19,273**	15,138
– Other interest revenue		**10,426**	8,475
Total revenue		**357,152**	839,136
Cost of sales		**(250,682)**	(734,820)
Gross profit		**106,470**	104,316

* *For identification purpose only*

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 September 2019

		Six months ended 30 September	
		2019	2018
	NOTES	***HK$'000***	*HK$'000*
		(unaudited)	(unaudited)
Other income, gains and losses		**5,888**	(13,695)
Gain on fair value change of investment properties		**50,656**	154,927
Impairment loss on goodwill		**(6,892)**	(5,473)
Impairment losses on financial assets, net of reversal		**(357)**	208
Selling and distribution costs		**(3,711)**	(3,925)
Administrative expenses			
– equity-settled share-based payments		**–**	(197)
– other administrative expenses		**(68,110)**	(64,258)
		(68,110)	(64,455)
Finance costs	*5*	**(112,980)**	(99,252)
(Loss) profit before taxation	*6*	**(29,036)**	72,651
Income tax expense	*7*	**(19,637)**	(31,819)
(Loss) profit for the period		**(48,673)**	40,832
Other comprehensive expense			
Item that may be subsequently reclassified to profit or loss:			
Exchange difference arising on translation of foreign operations		**(192,851)**	(274,375)
Total comprehensive expense for the period		**(241,524)**	(233,543)
(Loss) profit for the period attributable to:			
Owners of the Company		**(52,170)**	39,211
Non-controlling interests		**3,497**	1,621
		(48,673)	40,832
Total comprehensive expense for the period attributable to:			
Owners of the Company		**(233,171)**	(219,970)
Non-controlling interests		**(8,353)**	(13,573)
		(241,524)	(233,543)
(Loss) earnings per share			
Basic	*8*	**HK(3.57) cents**	HK3.09 cents
Diluted	*8*	**HK(3.57) cents**	HK3.09 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2019

	NOTES	30.9.2019 HK$'000 (unaudited)	31.3.2019 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**48,531**	53,064
Investment properties		**3,823,315**	3,941,746
Goodwill		**25,663**	32,555
Deposit for land auction		**9,878**	10,495
Right-of-use assets		**8,628**	–
Financial assets at fair value through profit or loss		**23,135**	15,880
Deposits and prepayments		**53,704**	21,450
Finance lease receivables	*10*	**176,009**	220,640
		4,168,863	4,295,830
Current assets			
Inventories		**6,196**	12,992
Trade receivables	*10*	**23,611**	25,635
Loan receivables	*10*	**85,016**	87,067
Finance lease receivables	*10*	**138,974**	103,243
Factoring receivables	*10*	**104,514**	106,520
Other receivables, deposits and prepayments		**14,323**	33,110
Pledged bank deposits		**245,111**	470,519
Bank balances and cash		**68,354**	83,138
		686,099	922,224
Current liabilities			
Trade payables	*11*	**27**	14,832
Other payables and accruals		**72,519**	68,206
Loans from staff		**26,900**	23,891
Construction cost accruals		**171,312**	139,970
Receipts in advance		**26,333**	17,057
Contract liabilities		**40,739**	27,722
Deposits received from tenants		**24,159**	24,559
Amounts due to related companies		**166,972**	166,431
Amounts due to directors		**42,542**	7,182
Amounts due to former subsidiaries		**9,164**	9,164
Provision for warranty		**126**	126
Financial guarantee contracts		**2,757**	4,409
Tax payable		**7,589**	10,119
Bank and other borrowings		**428,610**	1,010,649
9.0% coupon bonds		**99,568**	366,656
6.5% coupon bonds		**196,345**	–
Lease liabilities/obligation under finance lease		**5,527**	55
		1,321,189	1,891,028

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

At 30 September 2019

	NOTES	30.9.2019 HK$'000 (unaudited)	31.3.2019 HK$'000 (audited)
Net current liabilities		**(635,090)**	(968,804)
Total assets less current liabilities		**3,533,773**	3,327,026
Non-current liabilities			
Lease liabilities/obligation under finance lease		**3,163**	89
12.0% coupon bonds		**–**	120,321
13.0% coupon bonds		**239,137**	–
Obligation arising from a put option to a non-controlling shareholder		**87,516**	87,089
Deferred tax liabilities		**291,490**	295,145
Receipts in advance		**2,782**	6,254
Contract liabilities		**4,259**	8,297
Bank and other borrowings		**887,596**	449,522
Amounts due to related companies		**146,568**	274,593
		1,662,511	1,241,310
		1,871,262	2,085,716
Capital and reserves			
Share capital	*12*	**456,753**	456,753
Reserves		**1,348,981**	1,565,223
Equity attributable to owners of the Company		**1,805,734**	2,021,976
Non-controlling interests		**65,528**	63,740
		1,871,262	2,085,716

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2019

1. BASIS OF PREPARATION

The condensed consolidated 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**") 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**").

The presentation currency of the condensed consolidated financial statements is Hong Kong dollars ("**HK$**"), which is also the functional currency of the Company.

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that, as of 30 September 2019, the Group's current liabilities exceeded its current assets by approximately HK$635,090,000.

The directors of the Company have performed an assessment of the Group's future liquidity and cash flows, taking into account the following matters:

(i) the availability of undrawn credit facilities of approximately HK$121,000,000 from a financial institution;

(ii) the credit facilities of approximately HK$450,000,000 obtained from a financial institution subsequent to the end of the reporting period; and

(iii) Mr. Li Weibin ("**Mr. Li**"), the chairman and managing director of the Company, has provided facilities of HK$450,000,000 to the Group to enable the Group to meet its financial obligations as and when they fall due for the foreseeable future, and agreed not to demand any of the amounts due to him by the Group in the next twelve months from the date of approval for issue of these condensed consolidated financial statements subsequent to the end of the reporting period, the directors of the Company consider that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due for the foreseeable future. On this basis, the condensed consolidated financial statements have been prepared on a going concern basis.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments, which are measured at fair values, as appropriate.

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 September 2019 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2019.

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 April 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

3. REVENUE

	Six months ended	
	30.9.2019	30.9.2018
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Disaggregation of revenue from contract with customers		
Types of goods and services:		
Revenue from international trading		
– grain and oil products	**35**	118
– electronic products	**247,036**	738,175
Revenue from property management services	**37,492**	39,789
Revenue from financial guarantee services	**10,249**	9,134
Revenue from financial advisory services		
– financial advisory services	**9,386**	14,892
– asset management services	**3,575**	–
Revenue from logistics services	**5**	231
Total revenue from contracts with customers	**307,778**	802,339
Add:		
Rental income under HKFRS 16 (2018: HKAS 17)	**19,675**	13,184
Interest income under HKFRS 16 (2018: HKAS 17)	**19,273**	15,138
Interest income under HKFRS 9	**10,426**	8,475
Total revenue	**357,152**	839,136
Geographical markets:		
Hong Kong and Macau	**259,997**	753,067
The People's Republic of China (the "**PRC**" or "**China**")	**47,781**	49,272
Total	**307,778**	802,339
Timing of revenue recognition:		
A point in time	**256,457**	753,185
Over time	**51,321**	49,154
Total	**307,778**	802,339

3. REVENUE (Continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

	Six months ended 30 September 2019			
	Revenue disclosed in segment information *HK$'000* (unaudited)	Adjustment of rental income *HK$'000* (unaudited)	Adjustment of interest income *HK$'000* (unaudited)	Revenue from contracts with customers *HK$'000* (unaudited)
International trading	247,071	–	–	247,071
Property investment	57,167	(19,675)	–	37,492
Financial guarantee services	10,249	–	–	10,249
Finance lease services	19,273	–	(19,273)	–
Financial advisory services	12,961	–	–	12,961
Logistics services	5	–	–	5
Revenue for reportable segment	346,726	(19,675)	(19,273)	307,778
Unallocated revenue	10,426	–	(10,426)	–
Total	357,152	(19,675)	(29,699)	307,778

4. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focus on the types of goods supplied and services provided by the Group.

The Group's operating and reportable segments under HKFRS 8 *Operating segments* are as follows:

(i) International trading – trading of consumer goods and electronic components

(ii) Property investment – leasing of property and provision of property management services

(iii) Financial guarantee services – provision of corporate financial guarantee services and related consultancy services

(iv) Finance lease services – provision of finance lease services

(v) Financial advisory services – provision of financial advisory and asset management services

(vi) Logistics services – provision of logistics services

4. SEGMENT INFORMATION (Continued)

The revenue streams and results from these segments are the basis of the internal reports about components of the Group that are regularly reviewed by the CODM in order to allocate resources to segments and to assess their performance.

Money lending and factoring businesses are not separately reviewed by the CODM and therefore they are not separately presented.

No segment assets or liabilities is presented as the CODM does not review segment assets and liabilities.

	Six months ended 30.9.2019		Six months ended 30.9.2018	
	Segment revenue	**Segment profit (loss) for the period**	Segment revenue	Segment profit (loss) for the period
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
	(unaudited)	**(unaudited)**	(unaudited)	(unaudited)
International trading	**247,071**	**5,324**	738,293	19,412
Property investment	**57,167**	**62,475**	52,973	113,395
Financial guarantee services	**10,249**	**8,321**	9,134	5,803
Finance lease services	**19,273**	**9,630**	15,138	12,286
Financial advisory services	**12,961**	**(13,423)**	14,892	(15,309)
Logistics services	**5**	**(63)**	231	(212)
Revenue and result for reportable segment	**346,726**	**72,264**	830,661	135,375
Unallocated revenue	**10,426**		8,475	
Total	**357,152**		839,136	
Unallocated revenue		**10,426**		8,475
Unallocated other income, gains and losses		**5,888**		(13,695)
Equity-settled share-based payments		**–**		(130)
Finance costs		**(112,980)**		(99,252)
Unallocated gain on fair value change of investment properties		**26,994**		74,635
Unallocated corporate expenses		**(31,628)**		(32,757)
(Loss) profit before taxation		**(29,036)**		72,651

Segment profit/loss represents the profit/loss earned/suffered by each segment without allocation of central administration costs, equity-settled share-based payments in relation to central administrative staff, gain on fair value change of investment properties (except for gain on fair value change of certain investment properties), other income, gains and losses, directors' emoluments and finance costs. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

5. FINANCE COSTS

	Six months ended	
	30.9.2019	30.9.2018
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest on bank and other borrowings	**58,499**	50,189
Effective interest expense on 3.0% convertible bonds	**–**	3,329
Effective interest expense on 13.0% coupon bonds	**4,033**	–
Effective interest expense on 9.0% coupon bonds	**17,003**	21,159
Effective interest expense on 6.5% coupon bonds	**2,425**	–
Effective interest expense on 12.0% coupon bonds	**7,384**	7,771
Imputed interest expense from amounts due to former subsidiaries	**–**	566
Imputed interest expense from amounts due to related companies	**17,868**	16,537
Imputed interest expense from obligation arising from put option to non-controlling shareholders	**5,550**	5,470
Interest on lease liabilities/obligation under finance lease	**218**	25
Total finance costs	**112,980**	105,046
Less: Amount capitalised in investment properties under construction	**–**	(5,794)
	112,980	99,252

6. (LOSS) PROFIT BEFORE TAXATION

(Loss) profit before taxation has been arrived at after charging (crediting) the following items:

	Six months ended	
	30.9.2019	30.9.2018
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	**2,816**	1,717
Depreciation of right-of-use assets	**2,174**	–
Equity-settled share-based payments	**–**	197
Interest income included in other income, gains and losses	**(3,037)**	(4,446)
Imputed interest income from amounts due from former subsidiaries	**–**	(1,050)
Gain on non-substantial modification of financial liabilities measured at amortised cost included in other income, gains and losses	**(2,592)**	–
Net exchange losses, included in other income, gains and losses	**2,257**	11,703

7. INCOME TAX EXPENSE

	Six months ended 30.9.2019 HK$'000 (unaudited)	30.9.2018 HK$'000 (unaudited)
Current tax expense:		
Hong Kong	**(415)**	–
PRC	**(5,035)**	(2,142)
	(5,450)	(2,142)
Deferred tax	**(14,187)**	(29,677)
Income tax expense	**(19,637)**	(31,819)

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

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 not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Accordingly, the Hong Kong Profits Tax is calculated at 8.25% on the first HK$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK$2 million.

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 Group's PRC subsidiaries is 25% except that the concessionary tax rate of 15% is applied to certain subsidiaries recognised as "Go-west" region development programme corporate which is entitled to apply the rate of 15%. The entitlement of this tax benefit is subject to renewal by respective tax bureau in the PRC every year.

8. (LOSS) EARNINGS PER SHARE

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

	Six months ended 30.9.2019 HK$'000 (unaudited)	30.9.2018 HK$'000 (unaudited)
(Loss) profit for the period attributable to owners of the Company for the purposes of basic and diluted (loss) earnings per share	**(52,170)**	39,211

Number of shares

	Six months ended 30.9.2019 '000 (unaudited)	30.9.2018 '000 (unaudited)
Weighted average number of ordinary shares for the purposes of basic and diluted (loss) earnings per share	**1,461,610**	1,268,298

8. **(LOSS) EARNINGS PER SHARE (Continued)**

During the six months ended 30 September 2019, the computation of diluted loss per share does not assume the exercise of the Company's share options as it would result in decrease in loss per share.

During the six months ended 30 September 2018, the computation of diluted earnings per share does not assume the exercise of the Company's share options as the exercise price of these options was higher than the average market price of shares for the period and the conversion of the outstanding 3.0% convertible bonds during the period as they would result in increase in earnings per share.

9. **DIVIDENDS**

No dividend was paid, declared or proposed during the current and prior interim period. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

10. **TRADE RECEIVABLES, LOAN RECEIVABLES, FINANCE LEASE RECEIVABLES AND FACTORING RECEIVABLES**

Trade receivables

The following is an analysis of trade receivables (net of allowance for credit losses) by age, presented based on the invoice date at the end of the reporting period:

	30.9.2019	**31.3.2019**
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0 – 30 days	**7,114**	16,489
31 – 90 days	**90**	8,744
> 90 days	**16,407**	402
	23,611	25,635

The Group's credit terms for its major customers of international trading are usually 7 days to 30 days. The credit terms granted by the Group to other trade debtors of international trading are normally 30 days.

Customers related to financial guarantee services are required to settle either on monthly instalments in arrear or upon signing of the financial guarantee services contracts or relevant consultancy services contracts.

The Group's credit terms for its customers related to logistics services and financial advisory services are normally 30 days to 60 days.

Loan receivables

Loan receivables of HK$85,016,000 (31 March 2019: HK$87,067,000) represent the outstanding loan principals and accrued interest from independent third parties which are unsecured and carry interest at fixed rates ranged from 11.0% to 18.0% per annum (31 March 2019: fixed rates ranged from 11.0% to 18.0% per annum). The weighted average effective interest rate of the loan receivables is 15.18% (31 March 2019:15.08%) per annum. Balances at both 30 September 2019 and 31 March 2019 are repayable within twelve months from the loan advance dates.

10. TRADE RECEIVABLES, LOAN RECEIVABLES, FINANCE LEASE RECEIVABLES AND FACTORING RECEIVABLES (Continued)

Finance lease receivables

All interest rates inherent in the leases are fixed at the contract date over the lease terms. The finance lease receivables of HK$138,974,000 (31 March 2019: HK$103,243,000) represent the present value of the minimum lease payments receivable within one year, and the finance lease receivables of HK$176,009,000 (31 March 2019: HK$220,640,000) represent the present value of the minimum lease payments receivable over one year.

Factoring receivables

Factoring receivables of HK$104,514,000 (31 March 2019: HK$106,520,000) represent the outstanding loan principals and accrued interest from independent third parties which are secured by trade receivables of the counterparties and carry interest at fixed rates ranged from 5.0% to 8.0% per annum (31 March 2019: 5.0% to 8.0%). The weighted average effective interest rate of the factoring receivables is 6.73% (31 March 2019: 6.73%) per annum. Balances as at 30 September 2019 are repayable within twelve months from the loan advance dates.

11. TRADE PAYABLES

The following is an analysis of trade payables by age, presented based on the invoice date at the end of the reporting period:

	30.9.2019 ***HK$'000*** **(unaudited)**	31.3.2019 *HK$'000* (audited)
0 – 30 days	**–**	12,855
31 – 90 days	**–**	–
> 90 days	**27**	1,977
	27	14,832

12. SHARE CAPITAL

	Number of shares	Nominal value *HK$'000* (unaudited)
Ordinary shares:		
Authorised		
At 1 April 2018, 31 March 2019 and 30 September 2019 of HK$0.3125 each	2,000,000,000	625,000
Issued and fully paid		
At 1 April 2018 of HK$0.3125 each	683,719,250	213,662
Shares issued on conversion of 3.0% convertible bonds *(Note i)*	641,150,442	200,360
Placing of shares *(Note ii)*	136,740,000	42,731
At 31 March 2019 and 30 September 2019 of HK$0.3125 each	1,461,609,692	456,753

Note: (i) During the six months ended 30 September 2018, 641,150,442 ordinary shares of the Company, with aggregate par value of approximately HK$200,360,000, were issued upon the conversion of the then remaining 3.0% convertible bonds.

(ii) At 27 September 2018, the Group issued 136,740,000 ordinary shares to independent third parties at HK$0.80 per share upon the completion of the placing of new shares. The issued shares will rank *pari passu* in all respects with all other shares in issue.

13. CONTINGENT LIABILITIES

	30.9.2019 ***HK$'000*** **(unaudited)**	31.3.2019 *HK$'000* (audited)
Guarantee given to banks in respect of financial guarantee services provided to:		
– Independent third parties	**467,531**	465,211
– Related company	**5,494**	5,837
	473,025	471,048

14. LEASE COMMITMENTS

At the end of the reporting period, the Group had future minimum lease payments under non-cancellable operating leases which fall due as follows:

As lessee

	30.9.2019	31.3.2019
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Within one year	**1,079**	9,189
In the second to fifth year inclusive	**–**	3,639
	1,079	12,828

Note: Lease commitments as at 30 September 2019 are of short term leases without recognising any right-of-use asset and lease payments will be recognised as expense over the lease term.

Lease payments for both period ends represent rental payable by the Group for its office premises and staff quarters.

As lessor

	30.9.2019	31.3.2019
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Within one year	**4,426**	16,855

Lease income for both period ends represent rental receivables by the Group for its leasing of retail shops and car parks in the Commercial Complex (as defined below).

15. CAPITAL COMMITMENTS

	30.9.2019	31.3.2019
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Capital expenditure contracted but not provided for in the condensed consolidated financial statements – construction in connection with the investment properties	**84,881**	127,376

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

For the Period under review, the Group continued its principal business as a provider of comprehensive financial services to clients in China and overseas through the Group's subsidiary companies incorporated in China and Hong Kong, and the trading of critical electronic components in Hong Kong and the development and operation of an investment property portfolio in the Shaanxi Province, the PRC.

The overall business environment during the Period under review was harsh, notably the uncertainty over the trade dispute between China and the United States of America (the "**US**"), the slowdown of the global economy, including the Chinese economy, and the tight liquidity particularly in the China capital market.

The Group's international trading business segment, specialising in the trading of key electronic components for ultimate supply to Chinese smartphone makers, was affected most by the disruptive impact on the global supply chain caused by the US-China trade tensions. The declining growth on the worldwide demand for smartphones also further depressed the component market as witnessed by over-supply, stockpiling and price reduction. Given this unfavourable circumstance, the Group has decided early this year to reduce its investment in international trading, resulting in a significant decline in this segment revenue and profit.

Our alternative finance businesses in China, comprising of financial guarantee, finance lease, factoring, etc., were performing as planned during the Period. However, further portfolio growth is hindered by the tight liquidity of the local capital market, prohibiting the companies from getting external financing. China's stringent foreign exchange control on overseas investment and capital outflow hammered the Group's investment banking and financial advisory business. Fortunately, to a certain extent, the impact was offset by the Group's investment banking business' successful expansion to offshore fundraising activities for overseas clients.

Our commercial property in Xi'an City of Shaanxi Province in China, the Daminggong Construction Materials and Furniture Shopping Centre (Dongsanhuan Branch)* (the "**Commercial Complex**"), continued to generate steady revenue in the form of rental and management fees. Nevertheless, the Chinlink • Worldport Integrated Logistics Park ("**Chinlink • Worldport**") in Hanzhong City of Shaanxi Province in China is still in trial operation and has not been able to produce income during the Period. The commercial and office property in Xi'an now named Chinlink International Centre (the "**CIC**") is in its completion stage. The leasing of the office and commercial space is on full-steam, likely to reach a high occupancy and start to generate income by early next year.

* *For identification purpose only*

SEGMENTAL PERFORMANCE

International Trading Business

For the Period, the Group's international trading business recorded a 66.5% drop in revenue to HK$247.1 million, mainly due to the shrinking demand from our regular buyers of electronic components. Gross profit was proportionally reduced to HK$7.6 million, representing a drop of 67.4% in value compared with the same period of the previous year ("**Previous Period**"). Early this year, the US government has indicated the possibility of imposing duties on Chinese electronic products. It further threatened to restrict many US components manufacturers in supplying critical electronic parts to the Chinese factories. Coupled with the less than expected growth in worldwide demand for smartphones and other similar gadgets, the entire electronics industry, in general, is very pessimistic about the industry outlook. The Group is, therefore, taking a conservative approach to curtain the exposure to this trading business, resulted in a substantial drop in turnover and profit. The Group does not expect any significant improvement in the condition in the near term.

Financial Guarantee Services Business

For the Period, the Group generated HK$10.2 million in revenue from its financial guarantee services, a modest increase of 12.1% over the Previous Period of HK$9.1 million, while maintaining a stable high profit margin. The total outstanding guarantee amount was RMB430.5 million as of 30 September 2019 (Previous Period: RMB387.5 million). The business still faced difficulty in further expanding the portfolio as Chinese domestic banks continued to apply tight credit policy towards small and medium-sized enterprises even with the support of financial guarantees.

Finance Lease Services Business

Finance lease services business recorded an impressive 27.3% increase in revenue to HK$19.3 million compared with the Previous Period of HK$15.1 million. The higher efficient use of capital and the expanded customer base both contributed to the increase during the Period. The total finance lease receivables as of 30 September 2019 was HK$315.0 million (Previous Period: HK$232.5 million).

Property Investment Business

The property investment business reported a slight increase of 7.9% in revenue to HK$57.2 million, as compared with HK$53.0 million in the Previous Period. The income solely derived from the Commercial Complex. The average occupancy rate of the Commercial Complex remained consistently high and recorded around 96.0% in the Period.

Financial Advisory Services Business

For the Period, MCM Holdings Limited and its subsidiaries (collectively "**MCM Group**") generated HK$13.0 million revenue in the forms of commission and management fees, a decrease of HK$1.9 million from the Previous Period. MCM Group's core businesses include financial advisory and asset management licensed under types 1, 2, 4 and 9, and regulated by the Securities and Futures Commission of Hong Kong. During the Period, MCM Group has continued to cement its strong reputation of success in its financial advisory business, along with launching new funds and products under its asset management arm, MCM Investment Partners Limited ("**MCMIP**"). Finally, it cemented important partnerships and expanded its business and client global footprint.

In the financial advisory business, MCM Group, through its subsidiary, MCM Asia Limited ("**MCM Partners**") raised over US$10 million primary capital for one of its important clients in the region and launched significant mandates for the next six months. In addition, it closed a secondary transaction with a Hong Kong based family office into an established Singapore-domiciled unicorn technology firm. MCM Partners managed to raise capital in Latin America through its new joint venture, MCM Latam Limited, as well as in Korea and China working closely with strategic partners in each location.

In the asset management business, MCMIP launched the first managed account vehicles on behalf of investors, implementing its quantitative strategies to generate alternative beta exposure for the US markets. Additionally, MCM Group has established a series of partnerships to expand its opportunity set in China, working with some of the most exclusive asset managers in the country.

Logistics Services Business

For the Period, the logistics services segment generated the revenue of HK$5,000. This segment is ancillary to the Group's international trading and financial services businesses. Therefore, it was only operating in a minimal scale and did not constitute as a material profit centre.

FINANCIAL REVIEW

Profitability Analysis

For the Period, the Group's unaudited consolidated revenue was HK$357.2 million, reflecting a significant decrease of 57.4% from HK$839.1 million in the Previous Period. Revenue of the Group comprised of: international trading of HK$247.1 million (Previous Period: HK$738.3 million), property investment of HK$57.2 million (Previous Period: HK$53.0 million), finance lease services of HK$19.3 million (Previous Period: HK$15.1 million), financial advisory services of HK$13.0 million (Previous Period: 14.9 million), financing guarantee services of HK$10.2 million (Previous Period: HK$9.1 million), logistics services of HK$5,000 (Previous Period: HK$0.2 million) and other revenue of HK$10.4 million (Previous Period: HK$8.5 million).

Gross profit for the Period increased to HK$106.5 million, up 2.1% from HK$104.3 million in the Previous Period and gross profit margin increased significantly to 29.8% from 12.4% in the Previous Period. The increase in gross profit and gross profit margin was mainly due to (i) an increase in revenue from finance lease services business, (ii) an increase in revenue from property investment business as there was a noticeable increment in per-unit rental and building management fee recorded by the Commercial Complex and (iii) significant decrease in direct costs from financial advisory services business during the Period. Conversely, as international trading business had a low gross profit margin, the significant drop in revenue from international trading had low impact on gross profit but led to an increase in overall gross profit margin.

Other income, gains and losses recorded a gain of HK$5.9 million (Previous Period: a loss of HK$13.7 million) for the Period, mainly attributable to (i) gain on non-substantial modification of financial liabilities measured at amortised cost; (ii) interest income from bank deposits; and (iii) gain on disposal of financial assets at fair value through profit or loss, but partially offset by the exchange loss arising from the depreciation of Renminbi ("**RMB**") against Hong Kong dollars during the Period. During Previous Period, it recorded higher exchange loss arising from the depreciation of RMB against Hong Kong dollars and adjustment on carrying amount of amount due to a related company.

Gain on fair value change of investment properties amounted to HK$50.7 million (Previous Period: HK$154.9 million) for the Period. It was mainly attributable to a fair value change of the Commercial Complex, the CIC and Chinlink • Worldport. Such gain decreased significantly because after substantial gains in the past few years, the overall momentum of the real estate prices in Xi'an City and Hanzhong City of Shannxi Province in the PRC weakened.

Administrative expenses amounted to HK$68.1 million for the Period, representing a slightly increase of HK$3.6 million comparing with HK$64.5 million in Previous Period. The increase was mainly due to the legal and professional fee incurred for the financing activities of the Group during the Period.

Finance costs amounted to HK$113.0 million for the Period, representing an increase of HK$13.7 million as compared with HK$99.3 million in the Previous Period. The increase was mainly due to (i) interest incurred for a two-year credit facility of US$48.7 million obtained during the Period; (ii) interest incurred for the 13.0% Coupon Bonds (as defined below) of US$30.0 million issued under the exchange offer which was completed in August 2019; (iii) interest related to the fixed return on capital injection (which was made in August 2018) by a non-controlling shareholder of a non-wholly-owned subsidiary; and (iv) the non-cash imputed interest expenses of HK$23.4 million (Previous Period: HK$22.0 million) in total arising from the non-interest bearing loan from related companies and an obligation under a put option granted to a non-controlling shareholder of a non-wholly-owned subsidiary.

In respect of goodwill arising from the acquisition of MCM Group, after taking into account of the uncertain investment outlook of the capital market, especially the China market, impacted by US-China trade tensions which emerged in May 2018, a further impairment of HK$6.9 million was made for the Period after a due consideration.

For the Period, the Group recorded a loss of HK$48.7 million mainly due to (i) the down turn of international trading business; (ii) a significant decrease in gain on fair value change of investment properties; (iii) an impairment loss on goodwill; and (iv) an increase in finance cost. In Previous Period, the Group recorded a profit of HK$40.8 million, primarily owing to the increase in revenue and gross profit, and a significant gain on fair value change of investment properties.

Liquidity and Financial Resources

As at 30 September 2019, the bank balances and cash and pledged bank deposits amounted to HK$313.5 million in total (31 March 2019: HK$553.7 million), representing a decrease of HK$240.2 million from that of 31 March 2019. The decrease was mainly due to repayment of bank borrowings during the Period.

As at 30 September 2019, the bank and other borrowings of the Group which were mainly denominated in HK$, RMB and United States dollars ("**US$**") amounted to HK$1,316.2 million (31 March 2019: HK$1,460.2 million), representing a decrease of HK$144.0 million from that of 31 March 2019, of which HK$428.6 million and HK$887.6 million were repayable within one year and two to five years respectively. The decrease was mainly due to a repayment of bank loan.

9.0% coupon bonds issued on 25 July 2017 (the "**First 9.0% Coupon Bonds**") with aggregate principal amount of HK$200.0 million, unsecured, repayable on 25 July 2019 and interest bearing at 9.0% per annum, was partially repaid in the principal of HK$100.0 million during the Period. The maturity date of the remaining principal of HK$100.0 million was extended for one year pursuant to the deed of amendment signed on 25 July 2019.

9.0% coupon bonds issued on 4 August 2017 and 25 August 2017 (the "**Second 9.0% Coupon Bonds**" together with the First 9.0% Coupon Bonds, collectively, the "**9.0% Coupon Bonds**") with aggregate principal amount of HK$150.0 million, unsecured, repayable on the day falling on the second anniversary of the issue date and interest bearing at 9.0% per annum, was fully repaid during the Period.

During the Period, the Company issued 6.5% coupon bonds (the "**6.5% Coupon Bonds**"), in four tranches on 7 August 2019, 8 August 2019, 19 August 2019 and 6 September 2019 with aggregate principal amount of HK$200.0 million. The 6.5% Coupon Bonds are secured by the equity interests of certain subsidiaries, repayable on the day falling on the first anniversary of the issue dates, interest bearing at 6.5% per annum and guaranteed by Mr. Li. It is a condition of the 6.5% Coupon Bonds that Mr. Li (as the controlling shareholder of the Company) and his associates shall not cease to own, directly or indirectly, at least 51% of the beneficial interest in the Company carrying at least 51% of the voting right, failing which the 6.5% Coupon Bonds shall be immediately redeemable. Details of the 6.5% Coupon Bonds are set out in the announcements of the Company dated 30 July 2019, 8 August 2019, 19 August 2019 and 6 September 2019. The proceeds were used for (i) refinancing the existing borrowings; (ii) development of the existing businesses; and (iii) the general working capital of the Group.

Under the exchange offer memorandum dated 5 August 2019, 13.0% coupon bonds (the "**13.0% Coupon Bonds**") with aggregate principal amount of US$30.0 million (equivalent to approximately HK$234.0 million) were issued in exchange of the unsecured 12.0% coupon bonds (the "**12.0% Coupon Bonds**") with principal amount of US$15.0 million (equivalent to approximately HK$117.0 million) which were issued on 5 December 2017. The 13.0% Coupon Bonds are secured by the equity interests of certain subsidiaries of the Company and guaranteed by Mr. Li, with maturity date on 30 August 2021 and interest bearing at 13.0% per annum. If Mr. Li ceases to hold, directly or indirectly, more than 50% of the issued and paid up share capital of the Company, it will be an event of default pursuant to the terms of the 13.0% Coupon Bonds. The net proceeds (after deducting all the related costs and expenses) from the exchange offer of approximately US$13.7 million was used for the partial repayment of the 9.0% Coupon Bonds. Details of the 13.0% Coupon Bonds are set out in the announcements of the Company dated 5 August 2019, 6 August 2019, 14 August 2019 and 16 August 2019.

Pursuant to the terms of a loan facility agreement (the "**Facility Agreement**") dated 13 August 2019 and entered into among: (i) the Company as borrower; (ii) Mr. Li as guarantor; and (iii) an independent lender, a 2-year credit facility in the total sum of US$64.1 million (the "**Loan**") to be provided in two tranches is made available to the Company. The Loan was mainly secured by, among others, pledges of equity interests of certain subsidiaries of the Company and mortgage of the certain investment properties. The Facility Agreement provides that, among other terms, if Mr. Li does not or ceases to own, directly or indirectly, at least 50% of the beneficial interest in the Company carrying at least 50% of the voting right, it will be an event of default under the Facility Agreement. As at 30 September 2019, the first tranche of the Loan of US$48.7 million was drawn down and used for partial repayment of certain loans and trading facility of the Company. Details of the Loans are set out in the announcement of the Company dated 13 August 2019.

As at 30 September 2019, the Group had net current liabilities of HK$635.1 million (31 March 2019: HK$968.8 million) and the current ratio of the Group calculated as the Group's current assets over its current liabilities was 0.52 (31 March 2019: 0.49). Due to risk management purposes, the Group scaled down the international trading business and repaid the trading facilities. As a net result of the decrease in both current assets and current liabilities, the current ratio of the Group improved modestly.

Share Capital

As at 30 September 2019, the authorised share capital and issued share capital of the Company were HK$625.0 million and HK$456.8 million respectively (31 March 2019: HK$625.0 million and HK$456.8 million respectively). There were no changes in the authorised share capital and issued share capital of the Company during the Period.

Gearing Ratio

The Group's gearing ratio as at 30 September 2019 was 0.61 (31 March 2019: 0.60) which was based on the Group's total liabilities of HK$2,983.7 million (31 March 2019: HK$3,132.3 million) and the Group's total assets of HK$4,855.0 million (31 March 2019: HK$5,218.1 million).

Foreign Currency Exposure

The Group's revenue and expenses were mainly denominated in HK$, RMB and US$. The pledged bank deposits were denominated in RMB, US$ and HK$. Other bank deposits were dominated in HK$, RMB, Macau Pataca ("**MOP**") or US$. Other monetary assets and liabilities were mainly denominated in HK$, RMB and US$. During the Period, the exchange rate of RMB to HK$ depreciated slightly and MOP to HK$ was stable. As HK$ is pegged to US$, the Directors considered that the foreign currency risk of the Group was relatively low.

Contingent Liabilities and Charge on Assets

Save as disclosed in note 13 of this announcement, the Group did not have any significant contingent liabilities.

As at 30 September 2019, the Group had pledged (i) bank deposits of HK$245.1 million to certain banks as securities in return for the banks' provision of loans to the Group's financial guarantee services customers; (ii) leasehold land and building with carrying value of HK$37.0 million to secure obligations under finance leases and banking facilities; and (iii) certain investment properties with fair value of HK$3,021.2 million, trade receivables of HK$1.4 million and equity interest of certain subsidiaries to secure obligation under the certain bank and other borrowings, the 6.5% Coupon Bonds and 13.0% Coupon Bonds.

Capital Commitments

As at 30 September 2019, the Group had capital commitments contracted but not provided for amounting to HK$84.9 million in respect of the development of Chinlink • Worldport and CIC. Details of the commitments are set out in note 15 of this announcement. The Group will fund the capital commitments through cash generated from operations, bank and other borrowings and borrowings from the controlling shareholders of the Company.

Events after the reporting period

The Group has no significant events after the reporting period.

INTERIM DIVIDEND

The Board did not declare the payment of interim dividend for the Period (Previous Period: Nil).

RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

As at 30 September 2019, the Group had 51 employees in Hong Kong, 253 employees in China and 2 employees in the United Kingdom (31 March 2019: 48 employees in Hong Kong, 235 employees in China and 5 employees in the United Kingdom).

Employees are remunerated based on their performance and relevant working experiences, taking into account the prevailing market conditions. Discretionary performance bonus may be awarded to employees with reference to the financial performance of the Group. Other employee benefits include contributions to mandatory provident funds, medical insurance and professional development and training.

The Group is dedicated to fostering close working relationships with customers and suppliers. The maintenance of good relationships with customers and suppliers is fundamental to the Group's operational performance and ongoing financial success.

PROSPECTS

China is now entering into a new phase of high-quality economic development and industry transformation power by technology, innovation and entrepreneurial enterprises. Under this ever-changing environment, the Group continually explores new business strategies and opportunities by utilising our core competence in financial services and our connection to global resources.

As discussed in the last annual report, the Group's business positioning is to build an ecosystem that could provide comprehensive financial services and innovative solutions to our clients in their different development stages. Driven by our international reach, we integrate strategic resources from across the globe, including financial partners, education academic and scientific research institutions, world-class incubators and accelerators, industry and technology leaders, and entrepreneurs, as well as many local municipal authorities and government bodies in China. For our Chinese clients, we can offer them not only traditional non-banking financing products, but also the connection to international investors and industry partners, and access to the global capital market. Our deep-rooted relationship network in China can also benefit our overseas business partners in their expansion in this lucrative market. We also assist the local municipal governments in carrying out industry transformation by bringing in foreign enterprises and innovation resources, as well as providing capital raising and financial assistance.

Since April 2019, GSVlabs becomes Chinlink and MCM Group's strategic partner. Founded in Silicon Valley, US, GSVlabs has a strong background in incubator and accelerator operations for startup technology companies, and solid connection with large corporations with disruptive technologies, business models, and ideas. Under this partnership, Chinlink will support GSVlabs' global expansion plans and the rollout of GSVlabs' innovation centres across China. A pioneer innovation centre will be set up in Xi'an by early 2020. This new innovation centre will offer accelerator programmes for companies specialised in artificial intelligence ("**AI**") industry. GSVlabs will operate the innovation centre in alliance with its two other AI centres opening respectively in Pittsburg, US (partner with Carnegie Mellon University) and London, United Kingdom (partner with University College London) by mid-2020.

In this late September, Chinlink, in partnership with MCM Group and GSVlabs, successfully held the 3rd Shaanxi-Hong Kong Finance and Innovation Conference (the "**Conference**"), jointly organised by the Shaanxi Provincial Department of Commerce, Shaanxi Provincial Department of Science and Technology and Shaanxi Liaison Unit of the Government of Hong Kong Special Administrative Region. Together with a startup pitch competition, the Conference on the theme "Innovation Meets Opportunity" was extended to one and a half-day. It was a groundbreaking occasion for showcasing our ability to connect government supports, international finance and technology resources in one single event. World-class speakers were invited and attended the Conference to address the global trends in innovation and finance, the Conference attracted over 350 attendees, most of them were Shaanxi technology companies and startups. The Conference has built a solid base for the Group to further pursue its new business positioning in building an innovation and finance ecosystem to accelerate startup growth.

As set out in our last annual report, MCM Group has refocused much of its efforts towards exploring and capturing opportunities in China, where we have now signed several partnerships with local enterprises that look to find investment opportunities globally, leveraging our diverse network. These initiatives will serve as the foundation of our asset management efforts into 2020. In our financial advisory services business, we continue to find success in our corporate partnerships, not only with Asian enterprises expanding overseas, but also as well as international innovative companies seeking the right partners to help them grow in Asia.

The challenging macroeconomic environment created by current US-China trade tensions, along with corporate events such as the failed listing of large unicorns, have levied short term challenges for our placement business, but is equally generating greater appetite for established and reputable advisors that can help clients navigate these challenging times. Finally, innovation continues to be the core of many industries, and through our GSVlabs partnership we believe 2020 will create amazing opportunities for the MCM Group to participate and grow in this arena.

Chinlink also made a significant progress in the Chinlink • Worldport project. The Hanzhong Municipal Government had formed a joint venture with Chinlink in September 2019. The joint venture company's primary objective is to upgrade the Hanzhong traditional Chinese herbal medicine industry's farming and manufacturing techniques to world-class standard qualifying for China and worldwide markets. Hanzhong is one of China's legacy herbal medicine farming base but for all these years, it is still in progress to build a modern industry infrastructure and supply chain. Chinlink as a 66.0% controlling shareholder in the joint venture, initiates an ecosystem to integrate global industry partnerships in production and sales, research, quality assurance and certification, branding and marketing of Chinese herbal medicine of Hanzhong origin. Working closely with municipal government, the Group will connect global capital to provide financial assistance and advisory in all stages of the industry-transforming process. Chinlink • Worldport is the designated location for this joint venture project. An exhibition and conference centre already opened in this October and will take up more facility space as the project progresses.

In addition, in this September, the Group celebrated the inauguration of our Xi'an new office building, the CIC. The Group's China Regional Headquarters will move into this landmark building by the end of the year. CIC provides 34,000 square metres office space, and 13,000 square metres commercial space of unique design and intelligent facilities. It will serve as the next generation home base for Xi'an's innovative financial and technology enterprises. CIC will be the second property to generate stable rental incomes to the Group from 2020 onwards.

The phase two development of the Commercial Complex (the "**Phase Two Development**") is finally on track. In this early November, the Group engaged a subsidiary of Landsea Green Properties Co., Ltd. as the project development manager and sales and marketing agent for the Phase Two Development. A listed company in Hong Kong, Landsea Green Properties Co., Ltd. (HKSE Stock Code: 106) is a famous real estate developer in China and well-known for its green building technologies and vertically integrated business capabilities. The Phase Two Development will have a total of 128,000 square metres gross area, 80.0% of which will be service and loft apartments and the rest will be commercial facilities. The Phase Two Development targets to complete by 2022.

Chinlink's core advantage lies in our global vision and the ability to integrate international resources. Chinlink's innovation and finance ecosystem, integrating resources such as international capital, academic and scientific research institutes, incubators and accelerators, and local government incentive policies, is capable of supporting the sustainable growth of entrepreneurship and technology-rich enterprises. This ecosystem will also assist the government advancement of its industry transformations and transition to an innovation-driven economy.

The Conference reinforced our belief that Xi'an is a robust technology base full of amazing opportunities for startups and entrepreneurs. We will expedite the setup of the first GSVlabs innovation centre in Xi'an to capture this unrivaled opportunity. By bringing in the Silicon Valley model of incubator and accelerator to Chinlink's innovation and finance ecosystem, we will be able to build a replicable model and scale-up across China. Apart from the Chinlink • Worldport project, the Group is currently proceeding with other promising prospects within the Shaanxi Province as well as other province in the PRC where Chinlink is not only an integrator but also can benefit from the operation, whilst retaining a captive base for our financial and investment services. A sustainable model built on innovative business synergy, is what Chinlink's future vision lies.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the Period, the Company had applied the principles of, and complied with all code provisions of the Corporate Governance Code (the "**CG Code**") as set out in Appendix 14 of the Listing Rules except the following deviation:

Code provision A.2.1 of the CG Code requires the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Li Weibin is the Chairman and the Managing Director of the Company (the Company regards the role of its Managing Director to be the same as that of chief executive officer under the CG Code). The Board considered that the non-segregation would not result in considerable concentration of power in one person and has the advantage of a strong and consistent leadership which is conducive to making and implementing decisions quickly and consistently.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors and the relevant employees. Having made specific enquiry of the Directors, all the Directors confirmed that they had complied with the required standards as set out in the Model Code during the Period.

AUDIT COMMITTEE

The Company has established an audit committee (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules. The Audit Committee has three members comprising, namely, Ms. Lai Ka Fung, May (Chairman), Dr. Ho Chung Tai, Raymond and Ms. Chan Sim Ling, Irene. All of them are independent non-executive Directors and none of them are members of the former or existing auditors of the Company. The Audit Committee has reviewed with the management of the Company the accounting principles and practices adopted by the Group and discussed the risk management and internal control systems and financial reporting matters. The Audit Committee has also reviewed the unaudited interim results of the Group for the Period.

The Group's independent auditors, Messrs. Deloitte Touche Tohmatsu, have been engaged to review the condensed consolidated financial statements of the Group for the Period. Based on their review, nothing has come to their attention that causes them to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Period.

APPRECIATION

The Board would like to express its sincere appreciation to all the Group's investors, customers, partners and shareholders for their continuing support and would like to thank the staff of the Group for their invaluable contribution to the Group.

PUBLICATION OF INTERIM REPORT

This announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.chinlinkint.com).

The interim report of the Company for the Period containing all information required by the Listing Rules will be dispatched to the shareholders of the Company as well as made available on the aforesaid websites in due course.

By order of the Board of
Chinlink International Holdings Limited
Mr. Li Weibin
Chairman

Hong Kong, 29 November 2019

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Li Weibin, Mr. Siu Wai Yip and Mr. Lau Chi Kit; a non-executive Director, namely Ms. Fung Sau Mui; and three independent non-executive Directors, namely Dr. Ho Chung Tai, Raymond, Ms. Lai Ka Fung, May and Ms. Chan Sim Ling, Irene.