



CHANCETON FINANCIAL GROUP LIMITED

川盟金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8020)

FIRST QUARTERLY REPORT
2015

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This report, for which the directors (the “Directors”) of Chanceton Financial Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement herein or in this report misleading.

HIGHLIGHTS

- Unaudited revenue of the Group for the three months ended 30 June 2015 amounted to HK\$3,655,000, representing an increase of approximately 0.3% over the corresponding period in 2014.
- The Group recorded an unaudited consolidated loss attributable to owners of the Company for the three months ended 30 June 2015 of approximately HK\$5,087,000 as compared to a loss of approximately HK\$4,309,000 in corresponding period in 2014. The loss was mainly attributable to (i) share of amortization of intangible assets and loss of an associate of the Company amounting to approximately HK\$5,400,000; and (ii) imputed interest incurred in respect of the convertible bonds in relation to the acquisition of 20% equity interest in Revenue Synthesis Limited dated 24 August 2014 amounting to approximately HK\$1,172,000.
- **The Board wishes to draw the attention of the shareholders of the Company and potential investors to the fact that the abovementioned share of amortisation of intangible assets and loss from an associate of the Company and the imputed interest incurred relating to the convertible bonds are non-cash in nature and will not have any impact on the cash flow of the Group. The group remains in a healthy and solid financial condition. For illustrative purposes only, excluding these non-cash items, the Group would have recorded an operating profit of approximately HK\$1,290,000 for the three months ended 30 June 2015.**
- Loss per share of the Company for the three months ended 30 June 2015 was HK\$0.23 cents.
- The Directors do not recommend the payment of a dividend for the three months ended 30 June 2015.

FIRST QUARTERLY RESULTS (UNAUDITED)

The board of Directors (the "Board") of Chanceton Financial Group Limited is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the three months ended 30 June 2015, together with the unaudited comparative figures for the three months ended 30 June 2014, as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months ended 30 June 2015

		Three months ended 30 June	
		2015	2014
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000
Revenue	3	3,655	3,644
Other gains and losses	3	8	44
Administrative and operating expenses		(2,033)	(3,038)
Finance cost	4	(1,172)	(1,172)
Share of result of an associate		(5,400)	(3,601)
Loss before income tax	5	(4,942)	(4,123)
Income tax	6	(145)	(186)
Loss for the year		(5,087)	(4,309)
Other comprehensive loss, net of tax			
Share of changes in other comprehensive income in an associate		(3)	(10)
Other comprehensive loss for the year, net of tax		(3)	(10)
Total comprehensive loss for the year		(5,090)	(4,319)
Loss attributable to owners of the Company for the year		(5,087)	(4,309)
Total Comprehensive loss attributable to owners of the Company for the year		(5,090)	(4,319)
Loss per share	8		
– Basic and diluted (HK cents)		(0.23)	(0.19)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2015

	Attributable to owners of the Company						Retained profits/ (Accumulated losses)	Total Equity
	Share capital	Share premium	Other reserve	Exchange translation reserve	Convertible bond reserve	Share Option reserve		
	<i>HK\$ '000</i>	<i>HK\$ '000</i>	<i>HK\$ '000</i>	<i>HK\$ '000</i>	<i>HK\$ '000</i>	<i>HK\$ '000</i>	<i>HK\$ '000</i>	<i>HK\$ '000</i>
At 1 April 2015 (audited)	22,200	124,131	529	(15)	22,856	1,954	(33,190)	138,465
Loss for the period	-	-	-	-	-	-	(5,087)	(5,087)
Other comprehensive loss for the period	-	-	-	(3)	-	-	-	(3)
At 30 June 2015 (unaudited)	22,200	124,131	529	(18)	22,856	1,954	(38,277)	133,375
At 1 April 2014 (audited)	22,200	124,131	529	(13)	22,856	-	8,537	178,240
Loss for the period	-	-	-	-	-	-	(4,309)	(4,309)
Other comprehensive loss for the period	-	-	-	(10)	-	-	-	(10)
At 30 June 2014 (unaudited)	22,200	124,131	529	(23)	22,856	-	4,228	173,921

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FIRST QUARTERLY RESULTS

For the three months ended 30 June 2015

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 20 April 2011 as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The address of its registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of its principal place of business is located at Unit 3609, 36/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong. The Company's shares were listed on the GEM of the Stock Exchange on 12 October 2011.

The Company is an investment holding company. The principal activities of its subsidiaries are provision of corporate finance advisory services mainly to listed and non-listed companies in Hong Kong and the People's Republic of China (the "PRC").

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

The Group's unaudited condensed consolidated first quarterly financial statements for the three months ended 30 June 2015 have been prepared in accordance with Hong Kong Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the GEM Listing Rules. The principal accounting policies used in the Group's unaudited condensed first quarterly financial statements are consistent with those adopted in the financial statements for the year ended 31 March 2015 and these unaudited condensed consolidated first quarterly financial statements should be read in conjunction with such financial statements.

The Group's unaudited condensed consolidated first quarterly financial statements for the three months ended 30 June 2015 have been prepared under the historical cost convention, except for certain financial assets and liabilities which have been measured at fair values. The Group's unaudited condensed consolidated first quarterly financial statements for the three months ended 30 June 2015 are presented in Hong Kong dollars ("HK\$") except when otherwise indicated. The Group has adopted new or revised standards, amendments to standards and interpretations of Hong Kong Financial Reporting Standards ("new HKFRSs") which are effective for accounting periods commencing on or after 1 April 2012. The adoption of such new HKFRSs does not have material impact on the consolidated accounts and does not result in substantial changes to the Group's accounting policies.

The condensed consolidated accounts have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee.

3. REVENUE, OTHER GAINS AND LOSSES

Revenue, which is also the Group's turnover, represents fees income received from corporate finance advisory services rendered during the period.

An analysis of revenue and other income and gains is as follows:

	Three months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Revenue		
Corporate finance advisory income	3,655	3,644
	<hr/>	
	3,655	3,644
	<hr/>	
Other gains and losses		
Management fee income	7	11
Bank interest income	1	1
Sundry income	–	68
Realised loss on financial assets at FVTPL	–	(36)
	<hr/>	
	8	44
	<hr/>	

4. FINANCE COSTS

	Three months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Imputed interest on convertible bond	1,172	1,172
	<hr/>	

5. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging the following:

	Three months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Employee benefit expenses (including directors' remuneration)		
– Wages, salaries, allowances and bonus	1,238	1,639
– Pension scheme contributions*	47	54
	<hr/> 1,285	<hr/> 1,693
Depreciation	10	20
Minimum lease payment under operating lease:		
– Property rental	208	208

* As at 30 June 2015 and 2014, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years.

6. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) for the three months ended 30 June 2015.

	Three months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Current tax	339	379
Deferred tax	(193)	(193)
	<hr/> 146	<hr/> 186

6. INCOME TAX EXPENSE (CONTINUED)

The tax (credit)/charge for the period can be reconciled to the loss before tax as follows:

	For the three months ended 30 June			
	2015 (Unaudited)		2014 (Unaudited)	
	HK\$'000	%	HK\$'000	%
Loss before tax	(5,087)		(4,123)	
Tax expenses at the Hong Kong Profits				
Tax rate of 16.5%	(839)	(16.5)	(680)	(16.5)
Tax effect of expenses not deductible for tax purposes	984	19.3	866	21.0
Tax effect of tax losses not recognised	–	–	–	–
Tax (credit)/charge for the period	145	2.8	186	4.5

7. DIVIDENDS

The Board does not recommend the payment of any dividend for three months ended 30 June 2015 (for the three months ended 30 June 2014: nil).

8. LOSS PER SHARE

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

	Three months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Loss attributable to the owners of the Company for the purpose of basic and diluted loss per share	(5,087)	(4,309)

Number of Shares

	Three months ended 30 June	
	2015	2014
	(Unaudited)	(Unaudited)
	'000	'000
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share (Note)	2,220,000	2,220,000

During the three months ended 30 June 2015, the Company's outstanding convertible bond and share options were not included in the calculation of diluted loss per share because the effect of the Company's outstanding convertible bond and share options were anti-dilutive and therefore the diluted loss per share are the same as the basic loss per share.

During the three months ended 30 June 2014, the Company's outstanding convertible bond was not included in the calculation of diluted loss per share because the effect of the Company's outstanding convertible bond was anti-dilutive and therefore the diluted loss per share are the same as the basic loss per share.

9. APPROVAL OF UNAUDITED CONDENSED CONSOLIDATED FIRST QUARTERLY FINANCIAL STATEMENTS

The unaudited condensed consolidated first quarterly financial statements of the Group were approved and authorised for issue by the Board on 14 August 2015.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

The Company's shares were successfully listed on GEM of the Stock Exchange on 12 October 2011 (the "Listing").

The Group is principally engaged in the provision of corporate finance advisory services mainly to listed and non-listed companies in Hong Kong and the PRC. The Group continues seeking to position itself as one of the active local corporate finance advisory service providers in Hong Kong. The Group provides a broad range of corporate finance advisory services to its clients, including:

- (i) advising on the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rule"), the GEM Listing Rules and The Codes on Takeovers and Mergers and Share Repurchases (the "Takeovers Code");
- (ii) acting as independent financial adviser to transactions of listed issuers falling under the Listing Rules, the GEM Listing Rules and the Takeovers Code;
- (iii) advising on merger(s) and acquisition(s) (the "M&A") activities and other corporate activities; and
- (iv) advising on corporate resumption.

During the period under review, the Group continued to focus on the provision of corporate finance advisory services to its clients. The Group recorded revenue of approximately HK\$3,655,000 for the three months ended 30 June 2015, representing an increase of approximately 0.3% when compared to the corresponding year in 2014.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Investment in an associate relating to Acquired Immunodeficiency Syndrome (“AIDS”) medication business

Following the acquisition of approximately 25% equity interest in Revenue Synthesis Limited relating to AIDS medication business, the Board, together with the medical committee of the Company has been actively managing and monitoring the development progress of the AIDS medication capsule. The Directors are of the view that the current progress of the AIDS medication business is satisfactory and are confident that the AIDS medication business would create value to the shareholders of the Company in future.

The Company’s Directors and management team will continue to dedicate their best effort to lead the Group to strive for the best interests for its shareholders.

Financial Review

Results

For the three months ended 30 June 2015, revenue of the Group increased by approximately 0.3% to approximately HK\$3,655,000 from approximately HK\$3,644,000 in the corresponding period in 2014.

The Group’s administrative and operating expenses for the three months ended 30 June 2015 decreased by approximately 33.1% to approximately HK\$2,033,000 compared to approximately HK\$3,038,000 for the corresponding period in 2014. The decrease in administrative and operating expenses were mainly due to the reduction of legal and professional fees of approximately HK\$750,000 as no significant corporate action had been carried out during the period under review as compared with the same period last year.

The Group's loss attributable to owners of the Company for the three months ended 30 June 2015 was approximately HK\$5,087,000 compared to approximately HK\$4,309,000 for the corresponding period last year. The loss was mainly attributable to (i) share of amortization of intangible assets and loss of an associate of the Company amounting to approximately HK\$5,400,000; (ii) imputed interest incurred in respect of the convertible bonds in relation to the acquisition of 20% equity interest in Revenue Synthesis Limited dated 24 August 2014 amounting to approximately HK\$1,172,000. **The Board wishes to draw the attention of the shareholders of the Company and potential investors to the fact that the abovementioned share of amortization of intangible assets and loss from an associate of the Company and the imputed interest incurred relating to the convertible bonds are non-cash in nature and will not have any impact on the cash flow of the Group. The Group remains in a healthy and solid financial condition. For illustrative purposes only, excluding the above-mentioned non-cash expenses, the Group would have recorded an operating profit of approximately HK\$1,290,000 for the three months ended 30 June 2015.**

FOREIGN EXCHANGE EXPOSURE

The Group continues to adopt a conservative treasury policy with all bank deposits being kept in either Hong Kong dollars, keeping a minimum exposure to foreign exchange risks.

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial conditions of its clients. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements.

PLEDGE OF ASSETS

As at 30 June 2015, the Group did not pledge any of its assets (30 June 2014: nil) as securities for the banking facilities granted to the Group.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2015, the Group had 17 full-time employees (30 June 2014: 18 full-time employees), including the Directors. Total employee benefit expenses (including Directors' emoluments) were approximately HK\$1,285,000 for the three months ended 30 June 2015 as compared to approximately HK\$1,693,000 for the three months ended 30 June 2014. Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme and medical benefit to its employees in Hong Kong. In addition, the Group adopted a share option scheme for eligible employees (including Directors) to provide incentives to participants for their contribution and continuing efforts to promote the interests of the Group.

OUTLOOK

The Company will continue to pursue its core business, the provision of corporate finance advisory services mainly to listed and non-listed companies in Hong Kong and the PRC, and to strengthen it by enhancing technical competence, expanding the alliance network, improving public awareness, expanding other aspects of corporate finance advisory services. The Group will also continue to try to retain its existing clients by offering outstanding and competitive services and to obtain more new engagements from broadening of the client base, while maintaining its existing cost-effective business structure to stay competitive in the industry.

OUTLOOK (CONTINUED)

The Board is of the view that the AIDS medication business in line with one of the business strategies of the Group as stated in the Prospectus which is to seek investment in high-return projects. The Board believes that Chinese herbs, in general, are milder, have fewer side effects and are affordable to patients and the growing potential of the China's herbal medicine market for treating AIDS with few competitors, the AIDS medication business represents an important milestone to the Group given the huge market potential in the AIDS medication industry.

The Group will continue to study feasible projects with good potential returns to contribute a maximum wealth to the Company's shareholders. The Company's Directors and management will continue to dedicate their best effort to lead the Group to strive for the best interests for its shareholders.

SHARE OPTION SCHEME

The Company has conditionally adopted the share option scheme (the "Scheme") on 21 September 2011 under which certain selected classes of participants (including, among others, full-time employees) may be granted options to subscribe for the Company's shares. The principal terms of the Scheme are summarised in the paragraph headed "Share Option Scheme" in Appendix V to the prospectus of the Company dated 28 September 2011.

Details of the options granted under the Scheme, their movements during the three months ended 30 June 2015 and the options outstanding as at 30 June 2015 were as follows:

Participant	Options type	Date of grant	Exercise price per share HK\$	Fair value at grant date per share HK\$	Exercise period	Number of options					As at 30 June 2015
						As at 1 April 2015	Granted during the period	Exercised during the period	Cancelled during the period	Lapsed during the period	
Employees other than directors	2014	17/9/2014	0.68	0.13027	17/9/2014 – 16/9/2024	12,500	-	-	-	-	12,500
Consultant	2014	17/9/2014	0.68	0.13027	17/9/2014 – 16/9/2024	2,500	-	-	-	-	2,500
						15,000	-	-	-	-	15,000

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2015, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange, were as follows:

Long positions in the Company

Name of Director and chief executive	Type of interests	Number of ordinary shares held	Number of underlying shares pursuant to share option	Approximate percentage of shareholding in the Company
Ms. Ho Chiu Ha Maisy (<i>Note 1</i>)	Beneficial owner	336,000,000	–	15.14%
	Interest of a controlled corporation	89,062,500	140,000,000	10.32%
Mr. Wong Kam Wah (<i>Note 2</i>)	Interest of a controlled corporation	520,000,000	–	23.42%
Ms. Man Wing Yee Ginny	Beneficial owner	190,040,000	–	8.56%
Mr. Wang Qiang	Beneficial owner	100,000,000	–	4.50%
Mr. Yu Bin	Beneficial owner	200,000,000	–	9.00%
Mr. Lau Ling Tak	Beneficial owner	3,937,500	–	0.18%

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (CONTINUED)

Long positions in the Company (Continued)

Note(s):

1. Ms. Ho Chiu Ha Maisy has a total interest in 565,062,500 shares/underlying shares (representing and aggregate of approximately 25.46% shareholding in the Company), of which (i) 89,062,500 shares were allotted to Refulgent Sunrise Limited, a company owned as to 36% by Ms. Ho Chiu Ha Maisy and it is an approximately 75% shareholder of Revenue Synthesis Limited, an associated corporation of the Company, As a result, Ms. Ho Chiu Ha Maisy is deemed to be interested in the approximately 75% shareholding in Revenue Synthesis Limited and the 100,000,000 shares of the Company through Refulgent Sunrise Limited by virtue of the SFO; (ii) Ms. Ho Chiu Ha Maisy personal held 336,000,000 shares; and (iii) 140,000,000 shares relate to her derivative interests in convertible bonds through her shareholding in Refulgent Sunrise Limited. Details of which are disclosed in "Convertible Bonds" below.
2. These shares are registered in the name of Kate Glory Limited. Mr. Wong Kam Wah is the beneficial owner of 100% of the issued share capital of Kate Glory Limited. By virtue of the SFO, Mr. Wong Kam Wah is deemed to be interest in 520,000,000 shares held by Kate Glory Limited.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (CONTINUED)

Long positions in the Company (Continued)

Convertible bonds

Name of bondholder	Date of issue	Conversion period	Conversion price per share	Outstanding as at the Latest Practicable Date	Number of underlying shares	Approximate percentage of the issued share capital of the Company
Refulgent Sunrise Limited	5 December 2012	5 December 2012 – 4 December 2017	0.625	140,000,000	140,000,000	6.31%

Save as disclosed above, as at 30 June 2015, none of the Directors and chief executive of the Company had any other interests or short positions in any shares, underlying shares or debentures of the Company or its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2015, so far as was known to the Directors, the following persons/entities (other than the Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any member of the Group were as follows:

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES (CONTINUED)

Long positions in the Company

Name of shareholders	Capacity	Number of ordinary shares held	Number of underlying shares held	Approximate percentage of shareholding in the Company
Kate Glory Limited (<i>Note 1</i>)	Beneficial owner	520,000,000	–	23.42%
Mr. Wong Kam Wah (<i>Note 1</i>)	Interest of a controlled corporation	520,000,000	–	23.42%
Ms. Man Wing Yee Ginny	Beneficial owner	190,040,000	–	8.56%
Ms. Ho Chiu Ha Maisy (<i>Note 2</i>)	Beneficial owner/interest of a controlled corporation	336,000,000	229,062,500	25.46%
Mr. Tsang Yan (<i>Note 2</i>)	Interest of a controlled corporation	–	229,062,500	10.32%
Refulgent Sunrise Limited (<i>Note 2</i>)	Beneficial owner	89,062,500	140,000,000	10.32%
Mr. Yu Bin	Beneficial owner	200,000,000	–	9.00%

Note:

- 1) Kate Glory Limited is an investment holding company incorporated in the British Virgin Islands ("BVI") with limited liability, its entire issued share capital is wholly and beneficially owned by Mr. Wong Kam Wah.
- 2) Refulgent Sunrise Limited is a company incorporated in BVI with limited liabilities and is owned as to 64% by Mr. Tsang Yan and 36% by Ms. Ho Chiu Ha Maisy. As a result, Ms. Ho Chiu Ha Maisy and Mr. Tsang Yan are deemed to be interested in this shareholding through Refulgent Sunrise Limited by virtue of the SFO. Ms. Ho Chiu Ha Maisy personally held 336,000,000 shares. Mr. Tsang Yan personally does not have any interest in shares.

Save as disclosed above, as at 30 June 2015, the Directors were not aware of any other persons/entities (other than the Directors and chief executive of the Company) who had interests or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who is directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any member of the Group.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the reporting period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company or of any other body corporate granted to any directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company, its holding company or any of its subsidiaries a party to any arrangements to enable the directors, their respective spouse or children under 18 years of age to acquire such rights in the Company or any other body corporate.

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

Neither the Company, nor any of its subsidiaries, has purchased, redeemed or sold any of the Company's listed shares during the three months ended 30 June 2015.

DIRECTOR'S INTERESTS IN COMPETING INTERESTS

During the three months ended 30 June 2015, none of the Directors, the management shareholders of the Company and their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group and any other conflicts of interest which any such person has or may have with the Group.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Company was not aware of any non-compliance with such required standard of dealings and its code of conduct regarding securities transactions by directors during the three months ended 30 June 2015.

CODE OF CORPORATE GOVERNANCE PRACTICES

During the period under review, the Company has fully complied with the code provisions as set out in Appendix 15 to the GEM Listing Rules.

AUDIT COMMITTEE

The Company set up an audit committee (the “Committee”) on 21 September 2011, with written terms of reference in compliance with the GEM Listing Rules, for the purpose of reviewing and providing supervision over the financial reporting process and internal control of the Group. The Committee comprises three independent non-executive Directors, namely Mr. Chiu Chi Kong, Mr. William Robert Majcher and Mr. Yau Yan Ming Raymond (as the Committee chairman) and an executive Director, Mr. Lau Ling Tak. The unaudited condensed consolidated first quarterly financial statements of the Group for the three months ended 30 June 2015 have not been audited by the Company’s auditors, but have been reviewed by the Committee, who is of the opinion that the first quarterly financial statements comply with the applicable accounting standards, the Stock Exchange and legal requirements, and that adequate disclosures have been made.

By Order of the Board
Chanceton Financial Group Limited
Wong Kam Wah
Executive Director

Hong Kong, 14 August 2015

As at the date of this report, the Company’s executive Directors are Ms. Ho Chiu Ha Maisy (Chairman), Mr. Wong Kam Wah, Mr. Lau Ling Tak, Ms. Man Wing Yee Ginny, Mr. Leung Man Kit, Mr. Wang Qiang and Mr. Yu Bin, and the independent non-executive Directors are Mr. Chiu Chi Kong, Mr. William Robert Majcher and Mr. Yau Yan Ming Raymond.