INTERIM REPORT 2016

GLOBAL MASTERMIND
環 球 大 通

GLOBAL MASTERMIND HOLDINGS LIMITED
環 球 大 通 集 團 有 限 公 司 *

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8063)

*For identification purposes only

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This report, for which the directors (the "Directors") of Global Mastermind Holdings 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 the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL REVIEW

Global Mastermind Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") recorded a loss attributable to owners of the Company of HK$33,834,000 for the six months ended 30 June 2016 (for the six months ended 30 June 2015: HK$8,353,000), representing basic loss per share of HK1.88 cents (for the six months ended 30 June 2015: HK1.09 cents).

Revenue and profitability

For the six months ended 30 June 2016, the consolidated revenue of the Group amounted to HK$21,266,000, representing a decrease of 32.1% as compared to HK$31,317,000 for the six months ended 30 June 2015. The decrease was mainly attributed to the expiry of hotel rooms supply agreement with effect from 1 January 2016. As such, no revenue was generated from the sales of hotel rooms in the current period.

The revenue arising from travel business in Singapore consists of agency commission and service income (both from customers and suppliers) generated from the provision of travel and related products and services, including airtickets, hotel rooms, Free Independent Traveler ("FIT") packages and ground transportation handling services.

Corporate customers are business travelers who require travel products and services for their travel purposes. Wholesale customers are usually travel services providers who purchase airtickets, hotel rooms, FIT packages and other travel related products. Meetings, Incentives, Conventions and Exhibitions ("MICE") customers refer to customers who are mainly corporate customers, convention organizers and special projects organizers who require one stop professional MICE/special project/event management services.

The revenue arising from travel agency operation in Hong Kong consists of rendering travel agency services related to air ticketing and air/hotel packages.

Approximately 87.9% or HK$18,691,000 of the total revenue was derived from the provision of travel and related products and services of which HK$17,921,000 and HK$770,000 was generated from the market in Singapore and Hong Kong respectively.

The money lending business opened up a new income stream for the Group and the interest income revenue derived from the provision of money lending services amounted to HK$2,353,000 for the period under review (for the six months ended 30 June 2015: Nil).

At the end of the reporting period, the Group revalued its equities portfolio at market prices and recognised an unrealised loss of HK$2,644,000 (for the six months ended 30 June 2015: Nil) arising on change in fair value of financial assets at fair value through profit or loss. Together with a loss of approximately HK$2,851,000 (for the six months ended 30 June 2015: Nil) generated from the sale of financial assets during the period under review, the total amount of the financial assets at fair value recognised to profit or loss was HK$5,495,000 (for the six months ended 30 June 2015: Nil).

Other income

Other income for the six months ended 30 June 2016 amounted to HK$2,194,000 representing a decrease of 17.1% as compared to HK$2,646,000 for the corresponding period last year. Such decrease was mainly attributed to the decrease of miscellaneous income.

Expenditure

For the reporting period, staff costs amounted to HK$21,081,000 (for the six months ended 30 June 2015: HK$20,131,000). Depreciation and amortization expenses amounted to HK$4,795,000 (for the six months ended 30 June 2015: HK$5,269,000). Other expenses amounted to HK$8,480,000 (for the six months ended 30 June 2015: HK$9,595,000).

Impairment loss on available-for-sale investments

For the three months ended 31 March 2016, decrease in the fair value of the investment in 60,000,000 shares of China Star Entertainment Limited, which was classified as available-for-sale investments, amounted to HK$11,400,000 was recognized in other comprehensive income under investments revaluation reserve. Due to a significant decline in the fair value of such investment below its cost, an impairment loss amounting to HK$11,400,000 (for the six months ended 30 June 2015: Nil) has been recognized during the period under review which was reclassified from the investments revaluation reserve to profit or loss.

For the three months ended 30 June 2016, increase in fair value of such investment amounting to HK$5,400,000 was recognized in other comprehensive income under investments revaluation reserve.

For the six months ended 30 June 2015, there was a decrease in fair value of such investment amounting to HK$24,000,000, which was above its cost and therefore recognized in other comprehensive income, and accumulated under investments revaluation reserve.

Impairment loss on intangible assets

The management performs regular review on the carrying values of intangible assets of the acquired business to determine any potential impairment loss.

During the period under review, the management assessed that the carrying amount of the intangible assets was higher than its recoverable amount. As such, the Group recognised an impairment loss on the intangible assets, which were purchased as part of the acquisition of Safe2Travel Pte Ltd completed on 30 March 2011 and was recognised as their fair value at the date of acquisition, amounting to HK$8,000,000 (for the six months ended 30 June 2015:Nil).

Finance costs

For the six months ended 30 June 2016, finance costs of HK$125,000 (for six months ended 30 June 2015: HK$238,000) was attributed to the interest on short term bank borrowings and loan payable.

BUSINESS REVIEW

Major acquisition in relation to the acquisition of property holding companies

On 29 January 2016, Giant Code Limited (the "Purchaser"), a direct wholly owned subsidiary of the Company, entered into a non-legally binding letter of intent (the "LOI A") with vendor A (the "Vendor A"), who is an independent third party, in relation to the acquisition of 100% shareholding (the "Hope Master Sale Share") and shareholder's loan (the "Hope Master Sale Loan") in Hope Master Investments Limited ("Hope Master") which holds a property located at Unit 3107, 31/F., Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong (the "Property A") and a non-legally binding letter of intent (the "LOI B") with vendor B (the "Vendor B"), who is an independent third party, in relation to the acquisition of 100% shareholding (the "Famous Flamingo Sale Share") and shareholder's loan (the "Famous Flamingo Sale Loan") in Famous Flamingo Limited ("Famous Flamingo") which holds a property located at Unit 3108 and 3109, 31/F., Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong (the "Property B"). Pursuant to the terms of the LOI A and the LOI B, HK$10,000,000 had been paid by the Purchaser to each of Vendor A and Vendor B as refundable deposits.

On 4 March 2016, the Purchaser entered into an acquisition agreement (the "Hope Master Acquisition Agreement") with Vendor A, pursuant to which Vendor A conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Hope Master Sale Share and the Hope Master Sale Loan, at the aggregate consideration of HK$63,370,687.10. On the even date, the Purchaser entered into an acquisition agreement (the "Famous Flamingo Acquisition Agreement") with Vendor B, pursuant to which Vendor B conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Famous Flamingo Sale Share and the Famous Flamingo Sale Loan, at the aggregate consideration of not exceeding HK$73,600,000.00 (collectively, the "Acquisition"). An additional HK$10,000,000 had been paid by the Purchaser to each of Vendor A and Vendor B as refundable deposits upon signing of the Hope Master Acquisition Agreement and the Famous Flamingo Acquisition Agreement.

As one of the relevant applicable percentage ratios calculated in accordance with the GEM Listing Rules in respect of the Hope Master Acquisition Agreement and the Famous Flamingo Acquisition Agreement in aggregate exceeds 25% but less than 100%, the Acquisition constituted a major acquisition on the part of the Company and is subject to the reporting, announcement and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules. Such transaction had been approved by the shareholders of the Company in the extraordinary general meeting held on 13 June 2016 and completed on 30 June 2016. After completion, Hope Master and Famous Flamingo became indirect wholly-owned subsidiaries of the Company and the financial statements of them were consolidated into the financial statements of the Group.

Details of the Acquisition were set out in the Company's announcement dated 4 March 2016 and 30 June 2016 and circular dated 24 May 2016.

Provision of financial assistance

On 3 May 2016, Global Mastermind Financial Services Limited ("Global Mastermind Financial Services", an indirect wholly owned subsidiary, as the lender entered into a revolving loan facilities agreement (the "Mason Loan Agreement") with Mason Capital Limited ("Mason") as the borrower. Pursuant to the Mason Loan Agreement, Global Mastermind Financial Services agreed to grant the secured loan of HK$59 million to Mason for a term of 24 months at interest rate of 10.0% per annum. Koffman Greater China Limited, the sole shareholder of Mason, has pledged all issued shares in Mason and a personal guarantee has been provided by the beneficial owner of Mason in favour of Global Mastermind Financial Services as a security against all the obligations of Mason in the Mason Loan Agreement. Interest is payable on monthly basis and the loan principal and any outstanding interest accrued is payable at the end of the loan term. Mason drew down a sum of HK$59 million on 10 May 2016. Mason is an independent third party and not connected with the Group. The Group financed the loan partly by the net proceeds from the issue of 1,529,144,700 rights shares under the rights issue as completed on 29 February 2016 and partly with its internal resources. Details of the transaction were set out in the Company's announcement dated 3 May 2016.

Change of use of proceeds from the new rights issue

On 3 May 2016, the Company announced to re-allocate (i) approximately HK$20.0 million of the net proceeds raised from the New Rights Issue (as defined below) from the purpose of investment in the securities in Hong Kong; and (ii) approximately HK$20.0 million of the net proceeds raised from the New Rights Issue from the purpose of development of the provision of financial services, including the asset management business and the future development of other Group's business in that segment to finance part of the Mason Loan Agreement (the "Change of Use of Proceeds").

Share subscription under general mandate

On 23 June 2016, the Company and two independent third parties (the "Subscribers") entered into the two subscription agreements (the "Subscription Agreements"), pursuant to which the Subscribers had conditionally agreed to subscribe for and the Company had conditionally agreed to allot and issue a total of 458,700,000 subscription shares (the "Subscription Shares") under general mandate at the subscription price (the "Subscription Price") of HK$0.1 per Subscription Share (the "Subscription"). The estimated gross proceeds from the Subscription was amounted to approximately HK$45.87 million and the net proceeds from the Subscription was amounted to approximately HK$45.77 million which was intended to be used for repayment of the borrowings of the Group. The Subscription was completed on 8 July 2016. Details of the Subscription were set out in the Company's announcements dated 23 June 2016 and 8 July 2016.

Development of new business

During the period under review, Global Mastermind Securities Limited, an indirect wholly-owned subsidiary of the Company, has lodged applications to Securities and Futures Commission for the licenses of (i) dealing in securities business (operation of which is Type 1 regulated activity under the Securities and Futures Ordinance (the "SFO")); and (ii) advising on securities business (operation of which is Type 4 regulated activity under the SFO). The initial capital required for such development was financed by internal resources of the Company.

LIQUIDITY AND FINANCIAL RESOURCES

The Group maintained sufficient working capital during the period. As at 30 June 2016, the working capital, calculated by current assets less current liabilities, of the Group was of HK$221,743,000 compared to HK$251,914,000 as at 31 December 2015.

As at 30 June 2016, the Group's current ratio was 3.6 times (as at 31 December 2015: 4.5 times), calculated by current assets of HK$306,905,000 (as at 31 December 2015: HK$324,169,000) divided by current liabilities of HK$85,162,000 (as at 31 December 2015: HK$72,255,000).

As at 30 June 2016, the Group's gearing ratio, expressed as percentage of total borrowings of the Group to total equity attributable to owners of the Company, was 18.2%, as compared with 5.3% as at 31 December 2015. The significant increase was mainly attributed to the loan obtained by the Company for the completion of the Acquisition during the period under review.

During the period under review, net cash used in operating activities amounted to HK$137,083,000 (30 June 2015: net cash used in operating activities of HK$20,528,000). Net cash used in investing activities for the period was HK$117,185,000 (30 June 2015: net cash used in investing activities of HK HK$300,000). Net cash generated from financing activities amounted to HK$216,087,000 (30 June 2015: net cash generated from financing activities of HK$3,529,000). As a result, cash and cash equivalents of the Group as at 30 June 2016 was HK$75,414,000, compared with HK$112,724,000 as at 31 December 2015. The decrease in cash and cash equivalent was mainly attributed to the utilization of the Group's resources for the development of the Group's money lending business during the period under review.

CAPITAL STRUCTURE

As at 30 June 2016, the Company has 2,293,717,050 shares of HK$0.01 each (the "Shares") in issue.

On 29 February 2016, the Company issued 1,529,144,700 new shares by way of rights issue at the subscription price of HK$0.10 per rights share on the basis of two rights shares for every one existing share held on the record date (the "New Rights Issue"). The net proceeds from the New Rights Issue after deducting all relevant expenses was estimated to be approximately HK$146.5 million. Details of the New Rights Issue were set out in the Company's circular dated 24 December 2015 and prospectus dated 28 January 2016.

As at 30 June 2016, the total borrowings of the Group amounted to HK$88,672,000 (31 December 2015: HK$19,046,000), representing (i) the short term secured bank borrowings of HK$6,672,000, which are repayable in one year; and (ii) the borrowings of HK$82,000,000, which is unsecured, interest bearing at 8% per annum and repayable in full by 26 June 2018.

USE OF PROCEEDS FROM FUND RAISING ACTIVITIES

(a) On 30 July 2014, the Company raised the net proceeds of HK$18,700,000 by way of placing 29,980,000 new shares under general mandate at a price of HK$0.65 per share. The net placing price was approximately HK$0.624 per placing share. The Company intended to use the proceeds from the placing for the purpose of its general working capital requirements. As at 30 June 2016, all the net proceeds of has been utilized as intended.

(b) On 12 November 2014, the Company raised the net proceeds of HK$147,190,000 by way of open offer of 509,714,900 new shares to the qualified shareholders of the Company at a subscription price of HK$0.30 per share. The net proceeds from the open offer of HK$147,190,000 were intended to be used for (i) as to approximately HK$135.9 million for the subscription of 60,000,000 shares (as adjusted for share consolidation of twenty five existing shares be consolidated into one consolidated share effective on 9 November 2015) of China Star Entertainment Limited (the "China Star Subscription"); and (ii) as to remaining balance to fund future expansion of the Group's businesses and/or for general working capital of the Group. As at 30 June 2016, HK$135,900,000 had been utilized for the China Star Subscription, HK$10,000,000 had been utilized for money lending business and HK$1,290,000 had been utilized for general working capital of the Group.

(c) On 29 February 2016, the Company issued 1,529,144,700 new shares by the New Rights Issue. The net proceeds from the New Rights Issue after deducting all relevant expenses was estimated to be approximately HK$146.5 million. Such proceeds were intended to be applied in the following manner: (i) approximately HK$30 million was intended to be used for the development of money lending business; (ii) HK$20 million was intended to be used for investment in the securities in Hong Kong; (iii) HK$20 million was intended to be used for the development of the provision of financial services, including the asset management business and the future development of other Group's business in that segment; (iv) HK$74 million was intended to be used for acquiring an office premises in Hong Kong for the Group as head office and principal place of business in Hong Kong; (v) the remaining balance of HK$2.5 million was intended to be used for general working capital. As at 30 June 2016, HK$30 million had been used for the development of money lending business; HK$40 million had been used for the development of money lending business (details of the change of use of proceeds had been set out in the section headed "Change of use of proceeds from the new rights issue" above); HK$74 million had been used for financing the acquisition of an office premises in Hong Kong; and HK$2.5 million have not been utilised and will be used as intended.

EXCHANGE RATE RISK

Foreign currency transactions have been translated into the functional currencies using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains or losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies were recognized in the profit or loss. In the event of fluctuating foreign exchange rates, there is a risk exposure to that settlement to suppliers or payment from customers may not be reconciled. The exposed amount of foreign currencies would be monitored regularly, forward contracts would be entered for hedging the risks if considered necessary.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2016, the total number of employees of the Group was 119. The Group fixes and reviews the emoluments of its directors and staff based on the qualification, experience, performance and the market rates from time to time so as to maintain the remunerations of the directors and staff at a competitive level. Salary increment is normally approved annually or by special adjustment depending on length of services and individual performance. In addition to salaries, the Group provides employee benefits such as medical insurance and provident funds. Moreover, discretionary bonus and share options will be paid or granted to employees based on the Group's and individual performances.

The Company terminated the old share option scheme (the "Old Scheme") and adopted a share option scheme (the "Scheme") at the annual general meeting of the Company held on 19 May 2011, under which the directors of the Company may, at their discretion, grant options to eligible participants which enable them to subscribe for shares in aggregate not exceeding 30% of the shares in issue of the Company from time to time (including shares which have been allotted and issued pursuant to any other share option scheme). The share options granted under the Old Scheme were expired and lapsed on 13 May 2014 and no share option had been granted or exercised during the period.

The Group makes contributions to the Central Provident Fund Scheme in Singapore and the Mandatory Provident Fund Scheme in Hong Kong for all qualifying employees in accordance with the statutory requirements in both territories.

PLEDGE OF ASSETS

At 30 June 2016, trade receivables amounting to Singapore Dollar ("SG$") 27,569,000 (equivalent to approximately HK$158,789,000) have been pledged to a bank by way of a floating charge. In addition, bank deposits of SG$211,000 (equivalent to approximately HK$1,215,000), cash collateral of approximately SG$114,000 (equivalent to approximately HK$657,000) and other deposits of SG$560,000 (equivalent to approximately HK$3,225,000) of the Group were pledged to the bank to secure credit facility as at 30 June 2016. The bank has provided banker's guarantee, invoice financing and commercial card guarantee to a subsidiary of the Company in an aggregate amount of approximately SG$9,000,000 (equivalent to approximately HK$51,838,000) of which the amounts utilised as at 30 June 2016 were approximately SG$2,874,000 (equivalent to approximately HK$16,555,000). The banker's guarantee has been given in favour to international airlines.

At 31 December 2015, trade receivables amounting to SG$24,505,000 (equivalent to approximately HK$134,234,000) had been pledged to another bank by way of a floating charge. In addition, bank deposits of SG$3,681,000 (equivalent to approximately HK$20,162,000) of the Group was pledged to the bank to secure credit facility as at 31 December 2015. The bank had provided banker's guarantee, invoice financing and commercial card guarantee to a subsidiary of the Company in an aggregate amount of approximately SG$16,000,000 (equivalent to approximately HK$87,644,000) of which the amounts utilised as at 31 December 2015 were approximately SG$6,393,000 (equivalent to approximately HK$35,022,000). Besides, a bank had provided banker's guarantee to that subsidiary of the Company also in an amount of approximately SG$49,000 (equivalent to approximately HK$268,000) with a same amount bank deposit pledged as a security to the bank. The bankers' guarantee had been given in favour to international airlines.

CONTINGENT LIABILITIES

As at 30 June 2016, the Group had no material contingent liabilities (31 December 2015: Nil).

OUTLOOK

In the coming quarters, the travel business environment is continuing to be challenging. The Group's profitability is facing pressure from the rising costs of operations and stiff price driven competition. Our management team will cautiously monitor the market, adopt appropriate measures and business strategies in response to changing market conditions.

In order to maintain the Group's sustainability and preservation of value over the longer term, the Group will continue to look for suitable investment opportunities and projects in other areas characterised by stable cash inflows. The management believes that the development of new businesses in dealing in securities and advising on securities will create synergies with the Group's existing businesses in the future.

EVENTS AFTER THE REPORTING PERIOD

Completion of shares subscription

On 8 July 2016, the Company allotted and issued 458,700,000 Subscription Shares at an issue price of HK$0.1 per Subscription Share to the Subscribers under general mandate raising HK$45,770,000 (net of expenses) for repayment of the borrowings of the Group.

REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Deloitte.
德勤

TO THE BOARD OF DIRECTORS OF GLOBAL MASTERMIND HOLDINGS LIMITED
環球大通集團有限公司*

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Global Mastermind Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 17 to 42, which comprise the condensed consolidated statement of financial position as of 30 June 2016 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion on these condensed consolidated financial statements solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

* *For identification purpose only*

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA. A review of these condensed consolidated financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

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

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

12 August 2016

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2016

		Three months ended 30 June		Six months ended 30 June	
	NOTES	**2016** **HK$'000** **(Unaudited)**	2015 *HK$'000* (Unaudited)	**2016** **HK$'000** **(Unaudited)**	2015 *HK$'000* (Unaudited)
Revenue and income					
Service income from provision of travel and related products and services		**9,461**	12,320	**18,691**	22,015
Sales of hotel rooms		**–**	4,115	**–**	9,302
Interest income from money lending business	3	**2,037**	–	**2,353**	–
Dividend income from financial assets at fair value through profit or loss		**209**	–	**222**	–
Financial assets at fair value	4	**–**	–	**–**	–
Total revenue and income		**11,707**	16,435	**21,266**	31,317
Costs of revenue and income					
Costs of sale of hotel rooms		**–**	(3,735)	**–**	(8,450)
Financial assets at fair value	4	**(1,267)**	–	**(5,495)**	–
Total costs of revenue and income		**(1,267)**	(3,735)	**(5,495)**	(8,450)
Other income	6	**587**	1,561	**2,194**	2,646
Staff costs		**(9,324)**	(9,756)	**(21,081)**	(20,131)
Depreciation and amortisation expenses		**(2,372)**	(2,619)	**(4,795)**	(5,269)
Other expenses		**(4,302)**	(5,718)	**(8,480)**	(9,595)
Impairment loss on available-for-sale investments	13	**–**	–	**(11,400)**	–
Impairment loss on intangible assets	14	**(8,000)**	–	**(8,000)**	–
Finance costs	7	**(120)**	(136)	**(125)**	(238)
Share of profit of a joint venture		**9**	425	**26**	760
Loss before tax		**(13,082)**	(3,543)	**(35,890)**	(8,960)
Income tax credit	8	**1,709**	46	**2,056**	607
Loss for the period	9	**(11,373)**	(3,497)	**(33,834)**	(8,353)

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

For the six months ended 30 June 2016

	NOTES	Three months ended 30 June 2016 HK$'000 (Unaudited)	Three months ended 30 June 2015 HK$'000 (Unaudited)	Six months ended 30 June 2016 HK$'000 (Unaudited)	Six months ended 30 June 2015 HK$'000 (Unaudited)
Other comprehensive income (expense) for the period					
Items that may be reclassified subsequently to profit or loss					
Exchange differences arising on translation of foreign operation		**534**	4,356	**10,109**	(4,263)
Share of exchange difference of a joint venture		**(353)**	(67)	**1,078**	(259)
Fair value gain (loss) on available-for-sale investments		**5,400**	(4,500)	**(6,000)**	(24,000)
Reclassification adjustment upon impairment on available-for-sale investments	13	**–**	–	**11,400**	–
Other comprehensive income (expense) for the period		**5,581**	(211)	**16,587**	(28,522)
Total comprehensive expense for the period		**(5,792)**	(3,708)	**(17,247)**	(36,875)
Loss for the period attributable to owners of the Company		**(11,373)**	(3,497)	**(33,834)**	(8,353)
Total comprehensive expense attributable to owners of the Company		**(5,792)**	(3,708)	**(17,247)**	(36,875)
Loss per share (HK cents) Basic	11	**(0.50)**	(0.46)	**(1.88)**	(1.09)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2016

	NOTES	**30 June 2016 HK$'000 (Unaudited)**	31 December 2015 HK$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	*12*	**139,308**	3,181
Available-for-sale investments	*13*	**40,800**	46,800
Goodwill		**–**	–
Intangible assets	*14*	**38,449**	48,166
Interest in a joint venture		**16,657**	15,553
Loan receivables	*16*	**119,000**	–
		354,214	113,700
CURRENT ASSETS			
Trade and other receivables	*15*	**214,529**	164,205
Loan receivables	*16*	**1,512**	–
Financial assets at fair value through profit or loss	*17*	**14,235**	27,078
Pledged bank deposits		**1,215**	20,162
Bank balances and cash		**75,414**	112,724
		306,905	324,169
CURRENT LIABILITIES			
Trade and other payables	*18*	**77,992**	52,735
Tax payable		**498**	474
Bank borrowings	*19*	**6,672**	19,046
		85,162	72,255
NET CURRENT ASSETS		**221,743**	251,914
TOTAL ASSETS LESS CURRENT LIABILITIES		**575,957**	365,614

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(Continued)*

At 30 June 2016

	NOTES	30 June 2016 HK$'000 (Unaudited)	31 December 2015 HK$'000 (Audited)
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**6,533**	8,183
Loan payable	20	**82,000**	–
		88,533	8,183
		487,424	357,431
CAPITAL AND RESERVES			
Share capital	21	**22,937**	7,646
Share premium and reserves		**464,487**	349,785
		487,424	357,431

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2016

	Attributable to owners of the Company							
	Share capital HK$'000	Share premium HK$'000	Distributable reserve HK$'000 (Note i)	Merger reserve HK$'000 (Note ii)	Investments revaluation reserve HK$'000	Exchange reserve HK$'000	Accumulated losses HK$'000	Total HK$'000
At 1 January 2016 (audited)	7,646	582,584	32,589	-	-	(28,443)	(236,945)	357,431
Loss for the period	-	-	-	-	-	-	(33,834)	(33,834)
Exchange differences arising on translation of foreign operation	-	-	-	-	-	10,109	-	10,109
Share of exchange difference of a joint venture	-	-	-	-	-	1,078	-	1,078
Fair value loss on available-for-sale investments	-	-	-	-	(6,000)	-	-	(6,000)
Reclassification adjustment upon impairment on available-for-sale investments *(note 13)*	-	-	-	-	11,400	-	-	11,400
Total comprehensive income (expense) for the period	-	-	-	-	5,400	11,187	(33,834)	(17,247)
Issue of shares *(note 21)*	15,291	131,949	-	-	-	-	-	147,240
At 30 June 2016 (unaudited)	22,937	714,533	32,589	-	5,400	(17,256)	(270,779)	487,424
At 1 January 2015 (audited)	7,646	582,584	32,589	5,000	67,500	(10,692)	(115,763)	568,864
Loss for the period	–	–	–	–	–	–	(8,353)	(8,353)
Exchange differences arising on translation of foreign operation	–	–	–	–	–	(4,263)	–	(4,263)
Share of exchange difference of a joint venture	–	–	–	–	–	(259)	–	(259)
Fair value loss on available-for-sale investments	–	–	–	–	(24,000)	–	–	(24,000)
Total comprehensive expense for the period	–	–	–	–	(24,000)	(4,522)	(8,353)	(36,875)
At 30 June 2015 (unaudited)	7,646	582,584	32,589	5,000	43,500	(15,214)	(124,116)	531,989

Notes:

(i) The distributable reserve represented the credit arising from the capital reduction effected by the Company during the year ended 31 December 2009.

(ii) The merger reserve represented the difference between the net worth of the subsidiaries acquired and the value of the consideration shares pursuant to the group reorganisation completed on 31 March 2000.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2016

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
OPERATING ACTIVITIES		
Operating cash flows before movements in working capital	**(11,604)**	(4,250)
Increase in trade and other receivables	**(41,224)**	(56,876)
Increase in loan receivables	**(120,512)**	–
Decrease in financial assets at fair value through profit or loss	**12,843**	–
Increase in trade and other payables	**23,414**	41,133
Cash used in operations	**(137,083)**	(19,993)
Income tax paid	**–**	(742)
Income tax refunded	**–**	207
Net cash used in operating activities	**(137,083)**	(20,528)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(136,688)**	(331)
Withdrawal of pledged bank deposits	**19,495**	–
Other investing activities	**8**	31
Net cash used in investing activities	**(117,185)**	(300)
FINANCING ACTIVITIES		
Net proceeds from rights issue	**147,240**	–
New loan raised	**82,000**	–
Repayment of bank borrowings	**(13,028)**	–
Interest paid	**(125)**	(238)
Advances drawn on trade receivables with full recourse	**–**	3,767
Net cash from financing activities	**216,087**	3,529
Net decrease in cash and cash equivalents	**(38,181)**	(17,299)
Cash and cash equivalents at 1 January	**112,724**	148,784
Effect of foreign exchange rate changes	**871**	(155)
Cash and cash equivalents at 30 June represented by bank balances and cash	**75,414**	131,330

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2016

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 ("HKICPA") as well as with the applicable disclosure requirements of Chapter 18 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules"). The condensed consolidated financial statements do not include all the information required for a complete set of Hong Kong Financial Reporting Standards financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2015.

1A. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT INTERIM PERIOD

During the six months ended 30 June 2016, the directors of the Company consider that the following events and transactions that have occurred since the end of last annual reporting period have had a significant impact on the Group's current interim financial position and performance:

On 29 February 2016, the Company completed a rights issue of 1,529,144,700 rights shares at a subscription price of HK$0.10 per rights share on the basis of two rights shares for every one existing ordinary share of the Company held by shareholders of the Company at the record date of 27 January 2016. Details of the rights issue are disclosed in note 21.

During the six months ended 30 June 2016, the Group completed acquisitions of office premise through acquisitions of subsidiaries at an aggregate consideration of HK$136,636,000. Details of the acquisitions were disclosed in the circular dated 24 May 2016 and announcement dated 30 June 2016. Details of the additions of the office premises are disclosed in note 12.

Due to a significant decline in the fair value of the investment in China Star Entertainment Limited ("China Star") below its cost, an impairment loss amounting to HK$11,400,000 has been recognised during the six months ended 30 June 2016 (for the six months ended 30 June 2015: nil) which was reclassified from the investments revaluation reserve to profit or loss. Details of the impairment loss are disclosed in note 13.

1A. SIGNIFICANT EVENTS AND TRANSACTIONS IN THE CURRENT INTERIM PERIOD *(Continued)*

As of 30 June 2016, the management reviewed the current and expected performance of the travel business indicated that the carrying amounts of the cash generating units were above the respective recoverable amounts. On this basis, the directors of the Company concluded that an impairment loss of HK$8,000,000 (for the year ended 31 December 2015: HK$21,000,000) was recognised during the six months ended 30 June 2016. Details of the impairment loss are disclosed in note 14.

2. PRINCIPAL ACCOUNTING POLICIES

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2016 are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2015.

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

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA:

Amendments to HKAS 1	Disclosure initiative
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer plants
Amendments to HKAS 27	Equity method in separate financial statements
Amendments to HKFRSs	Annual improvements to HKFRSs 2012 – 2014 cycle
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception
Amendments to HKFRS 11	Accounting for acquisitions of interests in joint operations

The application of these amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in the condensed consolidated financial statements and/or disclosures set out in the condensed consolidated financial statements.

3. INTEREST INCOME FROM MONEY LENDING BUSINESS

During the six months ended 30 June 2016, the Group commenced to develop a money lending business and generated interest income of HK$2,353,000 (for the six months ended 30 June 2015: nil).

4. FINANCIAL ASSETS AT FAIR VALUE

An analysis of the financial assets at fair value is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Realised loss on financial assets at fair value through profit or loss				
Proceeds from sale of financial assets at fair value through profit or loss	**7,312**	–	**27,659**	–
Carrying amount of financial assets at fair value through profit or loss plus transaction costs	**(7,679)**	–	**(30,510)**	–
	(367)	–	**(2,851)**	–
Unrealised loss on financial assets at fair value through profit or loss	**(900)**	–	**(2,644)**	–
	(1,267)	–	**(5,495)**	–

5. SEGMENT INFORMATION

The following is an analysis of the Group's revenue and results by operating segment, based on information provided to the chief operating decision maker ("CODM") representing the board of directors of the Company, for the purpose of allocating resources to segments and assessing their performance. This is also the basis upon which the Group is arranged and organised.

During the six months ended 30 June 2016, the Group commenced to develop a money lending business in Hong Kong and resulted a new operating segment.

The Group's operations are currently organised into three (for the six months ended 30 June 2015: two) reporting and operating segments under HKFRS 8, namely travel business, treasury management and money lending business.

Segment revenues and results

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

	Segment revenue Six months ended 30 June		Segment (losses) profits Six months ended 30 June	
	2016 HK$'000 (Unaudited)	2015 HK$'000 (Unaudited)	**2016 HK$'000 (Unaudited)**	2015 HK$'000 (Unaudited)
Travel business	**18,691**	31,317	**(9,081)**	(1,287)
Treasury management	**222**	–	**(16,676)**	–
Money lending business	**2,353**	–	**2,350**	–
Total	**21,266**	31,317	**(23,407)**	(1,287)
Share of profit of a joint venture			**26**	760
Unallocated income			**896**	290
Unallocated expense			**(11,349)**	(8,116)
Loss for the period			**(33,834)**	(8,353)

5. SEGMENT INFORMATION *(Continued)*

Segment revenues and results *(Continued)*

	Segment revenue Three months ended 30 June		Segment (losses) profits Three months ended 30 June	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Travel business	**9,461**	16,435	**(8,382)**	16
Treasury management	**209**	–	**(1,059)**	–
Money lending business	**2,037**	–	**2,037**	–
Total	**11,707**	16,435	**(7,404)**	16
Share of profit of a joint venture			**9**	425
Unallocated income			**417**	155
Unallocated expense			**(4,395)**	(4,093)
Loss for the period			**(11,373)**	(3,497)

All of the segment revenue reported above are from external customers.

Segment (losses) profits represent the (losses) profits (incurred) earned by each segment without allocation of unallocated income (which mainly includes bank interest income of head office) and unallocated expenses (which mainly include central administration costs and directors' salaries). This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

6. OTHER INCOME

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Management and administrative income	**486**	155	**1,031**	290
Incentive income	**1**	369	**591**	731
Employment credits from government grants	**97**	227	**560**	795
Interest income	**–**	18	**8**	37
Miscellaneous income	**3**	792	**4**	793
	587	1,561	**2,194**	2,646

7. FINANCE COSTS

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Interest on short term bank borrowings *(note 19)*	**48**	–	**53**	–
Interest on loan payable *(note 20)*	**72**	–	**72**	–
Interest on advances drawn on trade receivables discounted with full recourse, repayable within one year	**–**	136	**–**	238
	120	136	**125**	238

8. INCOME TAX CREDIT

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
The tax charge (credit) comprises:				
Singapore Corporate Income Tax				
– Current period	**–**	320	**–**	320
– Overprovision in prior years	**–**	(2)	**–**	(207)
	–	318	**–**	113
Deferred taxation – current period	**(1,709)**	(364)	**(2,056)**	(720)
	(1,709)	(46)	**(2,056)**	(607)

Singapore Corporate Income Tax is calculated at 17% in accordance with the relevant laws and regulations in Singapore for both periods.

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

No provision for Hong Kong Profits Tax or Singapore Corporate Income Tax has been made as the Company and its subsidiaries either incurred tax losses or the estimated assessable profit is wholly absorbed by tax losses brought forward from prior years.

9. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging:

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Depreciation of property, plant and equipment	**322**	479	**701**	1,033
Amortisation of intangible assets	**2,050**	2,140	**4,094**	4,236
Impairment loss on available-for-sale investments	**–**	–	**11,400**	–
Impairment loss on intangible assets	**8,000**	–	**8,000**	–
Operating lease payments for office premises and office equipment (included in other expenses)	**969**	1,394	**2,200**	2,697
Selling expenses (included in other expenses)	**363**	371	**669**	696
Legal and professional fees (included in other expenses)	**1,240**	979	**1,457**	1,450

10. DIVIDENDS

No dividend was paid, declared or proposed during the six months ended 30 June 2016 and 2015, nor has any dividend been proposed since the end of both reporting periods.

11. LOSS PER SHARE

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

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Loss				
Loss for the purposes of basic loss per share – Loss for the period attributable to owners of the Company	**(11,373)**	(3,497)	**(33,834)**	(8,353)

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	**2016**	2015
	'000	*'000*	***'000***	*'000*
	(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Number of shares				
Weighted average number of ordinary shares for the purposes of basic loss per share *(Note)*	**2,293,717**	764,572	**1,798,005**	764,572

Note: Since there was no bonus element included in the rights issue completed in February 2016 (note 21), no adjustment was applied to the loss per share in this regard.

Diluted loss per share for the six months ended 30 June 2016 and 2015 are not presented as there were no dilutive potential ordinary shares in issue during both periods.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, the Group acquired property, plant and equipment for a cash consideration of HK$136,688,000 (for the six months ended 30 June 2015: HK$331,000) mainly for acquisitions of office premise (for the six months ended 30 June 2015: leasehold improvements and computer equipment).

13. AVAILABLE-FOR-SALE INVESTMENTS

	30 June 2016 *HK$'000* **(Unaudited)**	31 December 2015 *HK$'000* (Audited)
Listed equity shares in Hong Kong, at fair value	**40,800**	46,800
Analysis for reporting purposes as:		
Non-current asset	**40,800**	46,800

During the three months ended 31 March 2016, decrease in fair value of listed equity shares of China Star amounting to HK$11,400,000 was recognised in other comprehensive income under investments revaluation reserve. Due to a significant decline in the fair value of the investment in China Star below its cost, an impairment loss amounting to HK$11,400,000 has been recognised which was reclassified from the investments revaluation reserve to profit or loss. During the three months ended 30 June 2016, increase in fair value amounting to HK$5,400,000 was recognised in other comprehensive income under investments revaluation reserve.

During the six months ended 30 June 2015, there was a decrease in fair value of such listed securities amounting to HK$24,000,000, which was still above its cost of investment and therefore recognised in other comprehensive income, and accumulated under investments revaluation reserve.

14. INTANGIBLE ASSETS

	Trade name *HK$'000*	Customer relationship *HK$'000*	Total *HK$'000*
COST			
At 1 January 2016 (audited)	51,205	55,879	107,084
Exchange difference arising on translation	2,636	2,877	5,513
At 30 June 2016 (unaudited)	53,841	58,756	112,597
AMORTISATION			
At 1 January 2016 (audited)	15,547	43,371	58,918
Provided for the period	–	4,094	4,094
Impairment loss recognised in the period	6,458	1,542	8,000
Exchange difference arising on translation	800	2,336	3,136
At 30 June 2016 (unaudited)	22,805	51,343	74,148
CARRYING VALUES			
At 30 June 2016 (unaudited)	31,036	7,413	38,449
At 31 December 2015 (audited)	35,658	12,508	48,166

The intangible assets were purchased as part of the acquisition of the Safe2Travel Pte Ltd in prior years and were recognised at their fair value at the date of acquisition.

14. INTANGIBLE ASSETS *(Continued)*

For the impairment testing, trade name and the customer relationship are allocated to the Group's cash generating units ("CGUs") identified according to business segment which is the travel business segment.

The recoverable amount of the travel business's CGUs was based on its value in use and was determined with the assistance of Ascent Partners Valuation Service Limited, an independent professional qualified valuer not connected with the Group. The calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and at a discount rate of 15.30% (31 December 2015: 16.35%). Cash flows after the five-year period were extrapolated using a 2.58% (31 December 2015: 2.64%) growth rate in considering the economic condition of the market.

The growth rates used to extrapolate cash flow projections beyond the five-year period do not exceed the long-term average growth rate for the industry. Other key assumptions for the value in use calculations relate to the estimation of cash inflows which include budgeted sales and gross margin. Such estimation is based on the unit's past performance and management's expectations for the market development including the fluctuation in the travel business in the current economic environment. Both actual sales and profit generated from the travel business segment in Singapore have fallen below expectation, and therefore the management has revised the cash flow projections.

As of 30 June 2016, the management reviewed the current and expected performance of the travel business indicated that the carrying amounts of the CGUs were above the respective recoverable amounts. On this basis, the directors of the Company concluded that an impairment loss of HK$8,000,000 was recognised during the six months ended 30 June 2016. The impairment loss was allocated to the trade name of HK$6,458,000 and the customer relationship of HK$1,542,000 on a pro-rata basis and is presented on the face of condensed consolidated statement of profit or loss and other comprehensive income.

As of 30 June 2015, the management reviewed on the current and expected performance of travel business indicated that the recoverable amount of the CGUs, was above the respective carrying amount of the intangible assets. On this basis, the directors of the Company concluded that there was no impairment loss identified on the intangible assets in these CGUs of the travel business in Singapore.

15. TRADE AND OTHER RECEIVABLES

The Group allows an average credit period range from 60 – 180 days to its trade customers of the travel business. Included in trade and other receivables are trade receivables of approximately HK$172,390,000 (31 December 2015: HK$136,695,000) and an aged analysis presented based on the invoice date at the end of reporting period is as follows:

	30 June 2016	31 December 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 – 30 days	**129,247**	84,009
31 – 60 days	**12,161**	7,406
61 – 90 days	**3,929**	12,015
91 – 180 days	**8,092**	19,163
181 – 365 days	**18,961**	14,102
	172,390	136,695

Trade receivables comprise of the gross amounts billed to customers.

16. LOAN RECEIVABLES

	30 June 2016 *HK$'000* (Unaudited)	31 December 2015 *HK$'000* (Audited)
Fixed-rate loan receivables	**119,000**	–
Accrued interest receivables	**1,512**	–
	120,512	–
Analysed as:		
Current portion	**1,512**	–
Non-current portion	**119,000**	–
	120,512	–

During the six months ended 30 June 2016, the Group commenced to develop a money lending business. The range of interest rate on the Group's loan receivables is from 8% to 10% per annum (31 December 2015: nil). The loans are respectively repayable in two years from the drawdown date, and hence classified as non-current. Pursuant to loan agreements, the Group retains a discretionary right to demand the repayment from the borrowers in full before the maturity of the loans.

Before granting loans to outsiders, the Group uses internal credit assessment process to assess the potential borrower's credit quality and defines its credit limits granted to the borrowers. The credit limits attributed to the borrowers are reviewed by the management regularly.

The Group has a policy for assessing the impairment on loan receivables on an individual basis. The assessment also includes evaluation of collectability and ageing analysis of accounts and on management's judgment, including the current creditworthiness, collateral and past collection history of each borrower.

In determining the recoverability of the loan receivables, the Group considers any change in the credit quality of the loan receivables from the date of credit was initially granted up to the reporting date. This includes assessing the credit history of the business, such as financial difficulties or default in payments and current market conditions.

At the end of each reporting date, the Group's loan receivables were individually assessed for impairment. As at 30 June 2016, no impairment loss was identified.

No ageing analysis is disclosed, as in the opinion of the directors of the Company, the ageing analysis does not give additional value in view of the nature of business of money lending.

17. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial assets at fair value through profit or loss comprise:

	30 June 2016 *HK$'000* **(Unaudited)**	31 December 2015 *HK$'000* (Audited)
Listed equity securities in Hong Kong, held for trading *(Note)*	**14,235**	27,078

Note: The fair value was based on the quoted prices of the respective securities in active markets for identical assets.

At 30 June 2016 and 31 December 2015, no financial assets at fair value through profit or loss have been pledged as security.

18. TRADE AND OTHER PAYABLES

Included in trade and other payables are trade payables of approximately HK$40,391,000 (31 December 2015: approximately HK$34,976,000) and an aged analysis presented based on the invoice date at the end of reporting period is as follows:

	30 June 2016 *HK$'000* **(Unaudited)**	31 December 2015 *HK$'000* (Audited)
0 – 30 days	**40,238**	34,810
31 – 60 days	**49**	138
61 – 90 days	**40**	28
Over 90 days	**64**	–
	40,391	34,976

The average credit period from trade suppliers of the travel business is 30 days.

19. BANK BORROWINGS

	30 June 2016 HK$'000 (Unaudited)	31 December 2015 HK$'000 (Audited)
Short term secured bank borrowings, repayable within one year	**6,672**	19,046

The Group's secured bank borrowings that contain a repayment on demand clause in the loan agreements:

	30 June 2016 HK$'000 (Unaudited)	31 December 2015 HK$'000 (Audited)
Repayable within one year	**6,672**	19,046

The Group's secured bank borrowings are denominated in the functional currency of the relevant group entity. As at 30 June 2016, the bank borrowings carry variable interest rates ranging from 5.21% to 5.77% (31 December 2015: from 5.21% to 5.77%).

20. LOAN PAYABLE

	30 June 2016 HK$'000 (Unaudited)	31 December 2015 HK$'000 (Audited)
Unsecured fixed-rate borrowing	**82,000**	–
Analysed as:		
Current portion	**–**	–
Non-current portion	**82,000**	–
	82,000	–

20. LOAN PAYABLE *(Continued)*

During the six months ended 30 June 2016, the Group has entered into a loan agreement with an independent third party to obtain a facility of up to a principal amount of HK$140,000,000 for a term of 24 months from the date of the loan agreement becoming unconditional. The Group has drawdown an amount of HK$82,000,000 during the six months ended 30 June 2016. The loan is unsecured, carries an interest rate of 8% per annum and repayable in full by 26 June 2018 and therefore it is classified as non-current. Interest is payable quarterly in arrears.

21. SHARE CAPITAL

Ordinary shares of HK$0.01 each	**Number of shares**	**Share capital** *HK$'000*
Authorised:		
At 31 December 2015, 1 January 2016 and 30 June 2016	180,000,000,000	1,800,000
Issued and fully paid:		
At 31 December 2015 and 1 January 2016	764,572,350	7,646
Issue of new shares *(Note)*	1,529,144,700	15,291
At 30 June 2016	2,293,717,050	22,937

Note: On 29 February 2016, the Company completed a rights issue of 1,529,144,700 rights shares at a subscription price of HK$0.10 per rights share on the basis of two rights shares for every one existing ordinary share of the Company held by shareholders of the Company at the record date of 27 January 2016. The net proceeds from the rights issue, after deducting directly attributable costs were approximately HK$147.2 million. Details of the rights issue were disclosed in the Company's circular dated 24 December 2015, prospectus dated 28 January 2016 and announcements dated 8 October 2015 and 26 February 2016.

22. SHARE-BASED PAYMENT TRANSACTIONS

The Company adopted an old share option scheme ("Option Scheme") and terminated it pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 19 May 2011, and the Company adopted a new share option scheme ("2011 Scheme") at the same meeting. The purpose of both share option schemes is to enable the Board, at its discretion, to grant options to any eligible participants who include directors and employees as incentives or rewards for their contribution to the Group. Under both schemes, the directors of the Company may grant options to eligible participants, including directors of the Company and its subsidiaries, to subscribe for shares in the Company. Under the Option Scheme, a share option may be exercised in accordance with the terms of the scheme prior to the expiry of three years from the date of acceptance.

No share options were granted or exercised for the six-month period ended 30 June 2016 and 2015, and there was no outstanding share options as at 30 June 2016 and 2015.

23. PLEDGE OF ASSETS

At 30 June 2016, trade receivables amounting to Singapore Dollar ("SG$") 27,569,000 (equivalent to approximately HK$158,789,000) have been pledged to a bank by way of a floating charge. In addition, bank deposits of SG$211,000 (equivalent to approximately HK$1,215,000), cash collateral of approximately SG$114,000 (equivalent to approximately HK$657,000) and other deposits of SG$560,000 (equivalent to approximately HK$3,225,000) of the Group were pledged to the bank to secure credit facility as at 30 June 2016. The bank has provided banker's guarantee, invoice financing and commercial card guarantee to a subsidiary of the Company in an aggregate amount of approximately SG$9,000,000 (equivalent to approximately HK$51,838,000) of which the amounts utilised as at 30 June 2016 were approximately SG$2,874,000 (equivalent to approximately HK$16,555,000). The banker's guarantee has been given in favour to international airlines.

At 31 December 2015, trade receivables amounting to SG$24,505,000 (equivalent to approximately HK$134,234,000) had been pledged to another bank by way of a floating charge. In addition, bank deposits of SG$3,681,000 (equivalent to approximately HK$20,162,000) of the Group was pledged to the bank to secure credit facility as at 31 December 2015. The bank had provided banker's guarantee, invoice financing and commercial card guarantee to a subsidiary of the Company in an aggregate amount of approximately SG$16,000,000 (equivalent to approximately HK$87,644,000) of which the amounts utilised as at 31 December 2015 were approximately SG$6,393,000 (equivalent to approximately HK$35,022,000). Besides, a bank had provided banker's guarantee to that subsidiary of the Company also in an amount of approximately SG$49,000 (equivalent to approximately HK$268,000) with a same amount bank deposit pledged as a security to the bank. The bankers' guarantees had been given in favour to international airlines.

24. OPERATING LEASES

The Group as lessee

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

	30 June 2016	31 December 2015
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within one year	**3,690**	4,039
In the second to fifth years inclusive	**2,939**	3,640
	6,629	7,679

Operating lease payments represent rentals paid or payable by the Group for certain of its office premises and office equipment. Leases are negotiated for lease terms of one to three years (31 December 2015: one to three years).

25. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

	Six months ended 30 June	
	2016	2015
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Short-term employee benefits	**360**	360
Post-employment benefits	**14**	14
Short-term benefits	**374**	374

The remuneration of directors and key executives is determined by the remuneration committee having regards to the performance of individuals and market trends.

25. RELATED PARTY TRANSACTIONS *(Continued)*

(b) During the periods, the Group entered into the following transactions with related parties:

		Three months ended 30 June		Six months ended 30 June	
		2016	2015	**2016**	2015
		HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Unaudited)
Related companies *(Note)*	Management and administrative income	**486**	155	**573**	290

Note: The directors of the Company, Mr. Mung Kin Keung and Mr. Mung Bun Man, Alan, have beneficial interests in the related companies.

26. EVENT AFTER THE END OF THE REPORTING PERIOD

On 23 June 2016, the Company and two independent third parties (the "Subscribers") entered into the two subscription agreements, pursuant to which the Subscribers had conditionally agreed to subscribe for and the Company had conditionally agreed to allot and issue a total of 458,700,000 subscription shares under general mandate at the subscription price of HK$0.1 per subscription share (the "Subscription"). Details of the Subscription were set out in the Company's announcement dated 23 June 2016. The Subscription was completed on 8 July 2016.

OTHER INFORMATION

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

As at 30 June 2016, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any associated corporations, within the meaning of Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO"), as recorded in the register of the Company required to be kept under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules were as follows:

Long positions in ordinary shares of HK$0.01 each of the Company

Name of Director	Capacity/ Nature of interests	Long position/ short position	Number of ordinary shares held	Approximate percentage of the issued ordinary share capital of the Company
Mr. Mung Kin Keung *(Note)*	Interest of controlled corporation	Long position	532,000,000	23.19
Mr. Mung Bun Man, Alan *(Note)*	Interest of controlled corporation	Long position	532,000,000	23.19
Mr. Tse Ke Li	Beneficial owner	Long position	1,150,000	0.05

Note: These shares were registered in the name of and were beneficially owned by Excellent Mind Investments Limited ("Excellent Mind"), a company is owned as to 60% by Mr. Mung Kin Keung and 40% by Mr. Mung Bun Man, Alan, both of them are executive Directors. Therefore, they are deemed to be interested in all the shares in which Excellent Mind is interested by virtue of the SFO.

Save as disclosed above, none of the Directors and chief executives of the Company nor their associates had any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules as at 30 June 2016.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS/OTHER PERSONS RECORDED IN THE REGISTER KEPT UNDER SECTION 336 OF THE SFO

As at 30 June 2016, the register of substantial shareholders/other persons maintained by the Company pursuant to section 336 of the SFO showed that the following shareholders, other than a Director or chief executive of the Company, had notified the Company of relevant interests in the issued share capital of the Company:

Long positions in the ordinary shares of HK$0.01 each of the Company

Name of Shareholder	Capacity/ Nature of interests	Long position/ short position	Number of ordinary shares held	Approximate percentage of the issued ordinary share capital of the Company
Charm City Developments Limited *(Note)*	Beneficial owner	Long position	153,936,000	6.71
Ms. Wang Chao Julia *(Note)*	Interest of controlled corporation	Long position	153,936,000	6.71

Note: 153,936,000 shares are held by Charm City Developments Limited ("Charm City"), which is wholly owned by Ms. Wang Chao Julia, who is deemed to be interested in all the shares in which Charm City is interested by virtue of the SFO.

Save as disclosed above, as at 30 June 2016, the Directors were not aware of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the shares or underlying shares of the Company under Section 336 of the SFO.

Other than as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2016.

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Share Option Scheme") on 19 May 2011 whereby the Board was authorized, at its discretion and subject to the terms of the Share Option Scheme, to grant options to any eligible participants who include Directors and employees as incentives or rewards for their contribution to the Group. The Share Option Scheme will be valid for a period of ten years commencing from its adoption date.

No option was granted under the Share Option Scheme since its adoption.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period under review was the Company or any of its subsidiaries a party to any arrangement to enable the Directors, their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

COMPETING INTERESTS

During the six months ended 30 June 2016, none of the Directors, the management shareholders of the Company nor their respective close associates (as defined under the GEM Listing Rules) had any interest in a business which causes or may cause significant competition with the business of the Group.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions set out in the Corporate Governance Code and Corporate Governance Report ("CG Code") as set out in Appendix 15 to the GEM Listing Rules as its own code of corporate governance.

During the six months ended 30 June 2016, the Company was in compliance with the code provisions set out in the CG Code except for the deviations as explained below:

1. Code provision A.2.1 of the CG Code provides that the roles and responsibilities of chairman and chief executive officer should be divided. The Company has not appointed chairman and chief executive officer, and the roles and functions of the chairman and chief executive officer have been performed by the four executive Directors collectively.

2. Code provision A.4.1 of the CG Code provides that the non-executive directors should be appointed for a specific term and subject to re-election. The independent non-executive Directors are not appointed for a specific term but they are subject to retirement by rotation at least once every three years in accordance with the articles of association of the Company (the "Articles").

3. Code provision D.1.4 of the CG Code provides that issuers should have formal letters of appointment for directors setting out the key terms and conditions of their appointment. The Company did not have formal letters of appointment for Directors (expect Mr. Mung Kin Keung). However, the Directors shall be subject to retirement by rotation in accordance with the Articles. In any event, all Directors, including those without a letter of appointment, must retire by rotation in the manner prescribed under the Articles, and on re-election of the retiring Directors, shareholders of the Company are given information that is reasonably necessary for them to make an informed decision on the reappointment of the relevant Directors. In addition, the Directors are required to refer to the guidelines set out in "A Guide on Directors' Duties" issued by the Companies Registry and "Guidelines for Directors" and "Guide for Independent Nonexecutive Directors" (if applicable) published by the Hong Kong Institute of Directors in performing their duties and responsibilities as Directors. Besides, the Directors are required to comply with the requirements under statue and common law, the GEM Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

Save as those mentioned above, in the opinion of the Directors, the Company has met the code provisions as set out in the CG Code during the six months ended 30 June 2016.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standards of dealings regarding securities transactions by Directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. All the Directors have confirmed that they have complied with the required standards as set out in the GEM Listing Rules during the six months ended 30 June 2016.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") currently comprises three independent non-executive Directors, namely Mr. Law Kwok Ho, Kenward (as chairman), Mr. Tsai Yung Chieh, David and Mr. Fung Wai Ching, with written terms of reference in compliance with the GEM Listing Rules. The Audit Committee has reviewed the unaudited consolidated results of the Group for the six months ended 30 June 2016.

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

The Company has not redeemed any of its shares during the six months ended 30 June 2016.

Neither the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities during the period.

On behalf of the Board

Mung Bun Man, Alan
Executive Director

Hong Kong, 12 August 2016

As at the date of this report, the Board comprises Mr. Mung Kin Keung, Mr. Mung Bun Man, Alan, Mr. Tse Ke Li and Mr. Leung Wai Man as executive Directors, and Mr. Law Kwok Ho, Kenward, Mr. Tsai Yung Chieh, David and Mr. Fung Wai Ching as independent non-executive Directors.