

WEALTH GLORY HOLDINGS LIMITED

富 譽 控 股 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8269

2016

First Quarterly Report



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.

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This report, for which the directors of Wealth Glory Holdings Limited (the “Directors”) 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 Wealth Glory Holdings Limited. 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.

The board of directors (the "Board") of Wealth Glory Holdings Limited (the "Company") 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 2016 together with the unaudited comparative figures for the corresponding period in 2015 as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 30 June 2016

		For the three months ended 30 June	
		2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
	Notes		
Revenue	3	20,333	28,763
Cost of sales		(16,869)	(26,050)
Gross profit		3,464	2,713
Other income	3	1,218	128
Change in fair value of held-for-trading investments		(440)	34,263
Share of profit of associates		136	534
Selling expenses		(324)	(275)
Administrative expense		(6,465)	(9,884)
Other expenses		(3,127)	(4,186)
Finance costs	4	(1,076)	(877)
(Loss) Profit before taxation	5	(6,614)	22,416
Taxation credit (expense)	6	18	(5,654)
(Loss) Profit for the period		(6,596)	16,762
Other comprehensive income (expense):			
Items that may be subsequently reclassified to profit or loss:			
– Exchange differences arising on translation of foreign operations		(379)	75
Total comprehensive income (expense) for the period		(6,975)	16,837

**For the three months
ended 30 June**

	<i>Notes</i>	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
(Loss) Profit for the period attributable to:			
Owners of the Company		(6,746)	16,704
Non-controlling interests		150	58
		(6,596)	16,762
Total comprehensive income (expense) for the period attributable to:			
Owners of the Company		(7,125)	16,779
Non-controlling interests		150	58
		(6,975)	16,837
		HK cents	HK cents (restated)
(Loss) Earnings per share			
- Basic	7	(0.16)	0.72
- Diluted		(0.16)	0.72

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 30 June 2016

	Attributable to owners of the Company										
	Share capital	Share premium	Warrants reserve	Merger reserve	Translation reserve	Share-based payment reserve	Legal reserve	(Accumulated loss)	Total	Non-controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2016 (Audited)	41,087	533,433	3,527	(4,246)	(790)	31,073	485	(382,083)	222,486	208	222,694
Exchange differences arising on translation of foreign operations	-	-	-	-	(379)	-	-	-	(379)	-	(379)
(Loss)/profit for the period	-	-	-	-	-	-	-	(6,746)	(6,746)	150	(6,596)
Total comprehensive (expense)/income for the period	-	-	-	-	(379)	-	-	(6,746)	(7,125)	150	(6,975)
Transfer upon lapse of share options	-	-	-	-	-	(1,144)	-	1,144	-	-	-
Changes in equity for period	-	-	-	-	(379)	(1,144)	-	(5,602)	(7,125)	150	(6,975)
At 30 June 2016 (Unaudited)	41,087	533,433	3,527	(4,246)	(1,169)	29,929	485	(387,685)	215,361	358	215,719
At 1 April 2015 (Audited)	21,371	381,564	3,527	(4,246)	(634)	31,073	485	(332,190)	100,950	(188)	100,762
Exchange differences arising on translation of foreign operations	-	-	-	-	75	-	-	-	75	-	75
Profit for the period	-	-	-	-	-	-	-	16,704	16,704	58	16,762
Total comprehensive income for the period	-	-	-	-	75	-	-	16,704	16,779	58	16,837
Issue of shares upon placing	1,620	32,400	-	-	-	-	-	-	34,020	-	34,020
Transaction costs attributable to issue of shares	-	(746)	-	-	-	-	-	-	(746)	-	(746)
Change in shareholding in a subsidiary without losing control	-	-	-	-	-	-	-	-	-	(27)	(27)
Changes in equity for the period	1,620	31,654	-	-	75	-	-	16,704	50,053	31	50,084
At 30 June 2015 (Unaudited)	22,991	413,218	3,527	(4,246)	(559)	31,073	485	(315,486)	151,003	(157)	150,846

NOTES TO THE UNAUDITED CONSOLIDATED RESULTS

For the three months ended 30 June 2016

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The address of its principal place of business in Hong Kong is 17/F., No. 8 Wyndham Street, Central, Hong Kong. The Company's shares were listed on GEM of the Stock Exchange.

The Company is an investment holding company. During the period, the Group was involved in the following principal activities:

- (i) trading of natural resources and commodities;
- (ii) money lending business;
- (iii) investment in coal trading business;
- (iv) development and promotion of brands, design, manufacture and sale of trendy fashion merchandises and other consumer products;
- (v) manufacture and sale of fresh and dried noodles; and
- (vi) investment in securities.

2. BASIS OF PRESENTATION AND PREPARATION

The unaudited consolidated results for the three months ended 30 June 2016 have been prepared in accordance with Hong Kong Accounting Standards and Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the GEM Listing Rules. The unaudited consolidated results should be read in conjunction with the annual financial statements for the year ended 31 March 2016, which have been prepared in accordance with HKFRSs.

The accounting policies and methods of computation used in the preparation of the unaudited consolidated results are consistent with those used in the audited financial statements included in the annual report of the Company for the year ended 31 March 2016, except for the adoption of the new and revised HKFRSs, which are effective for accounting periods beginning on or after 1 April 2016. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and the amounts reported for the current and prior periods.

The Group has not applied the new and revised HKFRSs, which have been issued but are not yet effective. The Group is in the process of making an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

3. REVENUE AND OTHER INCOME

	For the three months ended 30 June	
	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
Revenue		
Trading of natural resources and commodities	12,145	23,698
Sale of packaged food	3,926	3,692
Sale of consumer products	2,668	–
Fee and interest income from money lending	1,594	1,373
	<u>20,333</u>	<u>28,763</u>
Other income		
Bank interest income	6	–
Interest income from loan to an associate	125	126
Imputed interest income from loans to investees	364	–
Dividend income	715	–
Sundry income	8	2
	<u>1,218</u>	<u>128</u>

4. FINANCE COSTS

	For the three months ended 30 June	
	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
Interests on bank overdrafts and bank borrowings	26	–
Interests on other borrowings	630	593
Effective interests on promissory notes	–	38
Effective interests on bonds	420	246
	<u>1,076</u>	<u>877</u>

5. (LOSS) PROFIT BEFORE INCOME TAX

	For the three months ended 30 June	
	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
The Group's (loss) profit before taxation is arrived at after charging the following:		
Cost of inventories recognised as an expense	16,869	26,050
Depreciation	107	393
Amortisation of intangible assets	769	500
Operating lease rentals in respect of:		
– land and buildings	1,002	1,054
– other facilities	–	420
Staff costs including directors' emoluments		
– Salaries, bonus and allowances	3,080	2,570
– Retirement benefit scheme contributions	389	326
	=====	=====

6. TAXATION CREDIT (EXPENSE)

	For the three months ended 30 June	
	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
Tax credit (charge) comprise of:		
Current	–	(1,720)
Deferred tax credit	18	(3,934)
	18	(5,654)
	=====	=====

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25%. No EIT was provided for the period ended 30 June 2016 as the Group did not generate any assessable profit arising from the PRC.

Hong Kong Profits Tax was calculated at 16.5% on the estimated assessable profits for the period ended 30 June 2016. No Hong Kong Profits Tax was provided for the period ended 30 June 2016 as the Group did not have assessable profit arising or derived from Hong Kong during the period.

According to the current applicable laws of the Macau Special Administrative Region, Macau Complementary Tax is calculated at a progressive rate from 9% to 12% (2014: 9% to 12%) on the estimated assessable profits for the year with the first two hundred thousand Patacas assessable profits being free from tax. However, Greenfortune (Macao Commercial Offshore) Limited ("Greenfortune"), a wholly-owned subsidiary of the Company, operating in Macau during the year is in compliance with the Decree-Law No. 58/99/M of Macau Special Administrative Region, and thus, the profits generated by the subsidiary is exempted from the Macau Complementary Tax. No provision for profits tax in Macau has been made for both periods as the Group did not generate any assessable profits arising in Macau.

The share of income tax expense attributable to the associates for the period amounting to HK\$304,000 (2015: HK\$429,000) was included in "Share of profit of associates" in the unaudited consolidated results.

7. (LOSS) EARNING PER SHARE

(a) Basic (loss) earnings per share

The calculations of basic loss per share for the three months ended 30 June 2016 were based on the unaudited consolidated loss of HK\$6,746,000 (2015: profit of HK\$16,704,000) attributable to the owners of the Company for the three months ended 30 June 2016 and the weighted average number of 4,108,716,000 shares in issue (weighted average number of shares in issue for the three months ended 30 June 2015 (restated): 2,310,589,000 shares).

(b) Diluted (loss) earnings per share

The computation of diluted loss per share for the three months ended 30 June 2016 does not assume the exercise of the Company's share options and warrants as they would reduce loss per share.

The calculation of diluted earnings per share for the three months ended 30 June 2015 was based on the unaudited consolidated profit attributable to the owners of the Company of HK\$16,704,000 and the weighted average number of 2,317,506,000 shares in issue for the three months ended 30 June 2015 which has been adjusted for the impact of the open offer in January 2016, calculated as follows:

	Number of shares <i>'000</i> (restated)
Weighted average number of shares for the purpose of basic earnings per share	2,310,589
Effect of exercise of warrants	5,321
Effect of exercise of share options	1,596
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Weighted average number of shares for the purpose of diluted earnings per share	2,317,506
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8. RELATED PARTY TRANSACTIONS

- (a) During the period, the Group has entered into the following transactions between related parties:

	For the three months ended 30 June	
	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000
Loan interest income from an associate	125	126
Finance costs paid/payable to non-controlling shareholders of a subsidiary	630	593
	<hr/> <hr/>	<hr/> <hr/>

- (b) The Group has provided financial assistance amounted to HK\$320,000 at date of inception of the financial assistance to Mr. Law Chung Lam, Nelson, a non-executive director of the Company and directors of certain subsidiaries of the Group. The transaction was a continuing connected transaction (as defined in the GEM Listing Rules) which was exempted from reporting, announcement and independent shareholders' approval requirements under the GEM Listing Rules. The financial assistance was repayable by instalment. The outstanding balance of the financial assistance amounted to approximately HK\$225,000 as at 30 June 2016 (30 June 2015: HK\$286,000).

9. APPROVAL OF UNAUDITED CONSOLIDATED RESULTS

The unaudited consolidated results of the Group for the three months ended 30 June 2016 were approved by the Board on 12 August 2016.

10. DIVIDEND

The Directors do not recommend the payment of any dividend in respect of the three months ended 30 June 2016 (2015: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

During the three months ended 30 June 2016, the Group's consolidated revenue declined from HK\$28.8 million in the same period in previous year to HK\$20.3 million in this period under review, representing a 29.3% drop. Such drop was mainly due to the sluggish trading of natural resources and commodities. The impact was mitigated by the new business of trading of consumer products and trendy fashion merchandises which contributed approximately HK\$2.7 million to the Group's revenue in the period. The Group recorded an overall gross profit of HK\$3.5 million as compared to HK\$2.7 million in the corresponding period last year, representing an encouraging growth of 27.7%.

The Group recorded other income of HK\$1.2 million (2015: HK\$0.1 million) which mainly comprised dividend income from held-for-trading investments and interest generated from loan to an associate as well as imputed interest arising from loans to investees.

During the period under review, the Group continued to be engaged in investment in listed securities in Hong Kong. A net loss of HK\$0.4 million from change in fair value of such held-for-trading investments was recorded in the period whereas a net gain of HK\$34.3 million from change in fair value of held-for-trading investments was recorded in the same period last year due to the volatility of the stock market.

Administrative expenses and other expenses (the "Operating Expenses") incurred for the three months ended 30 June 2016 amounted to HK\$9.6 million (2015: HK\$14.1 million). By excluding the major non-cash items in relation to amortization of intangible assets and depreciation charges in both periods, Operating Expenses for this period under review would have amounted to HK\$8.7 million as compared to HK\$13.2 million in the same period in previous year on the same basis, representing a reduction of 34.1% which was mainly due to the reduced corporate marketing activities undertaken during the period under review.

On the other hand, the Group incurred HK\$1.1 million in finance costs as compared to HK\$0.9 million in same period in previous year. The increase was due to the increased imputed interest on bond issued by the Group in September 2015 with a relatively higher coupon rate than that in issue in the same period last year.

The Group recorded a net loss of HK\$6.6 million for the three months ended 30 June 2016 as compared to a net profit of HK\$16.8 million in the corresponding period in 2015. The main reason for such turn from profit to loss was due to the absence of gain from investment in listed securities which was recorded in the three months period ended 30 June 2015.

BUSINESS REVIEW

Natural Resources and Commodities Business

(a) *Coal Trading Business*

The Group's coal trading business was operated by an associate, Goldenbase Limited (together with its subsidiaries, the "Goldenbase Group") for the three months ended 30 June 2016. The Goldenbase Group recorded a turnover of HK\$65.4 million (2015: HK\$93.6 million). The Group was advised by the management of the Goldenbase Group that an aggregate of approximately 214,000 tonnes (2015: 256,000 tonnes) of coal was traded in the three months ended 30 June 2016.

The Goldenbase Group recorded a profit of HK\$0.4 million during the period under review as compared to a profit of HK\$1.6 million in the corresponding period.

(b) *Other Natural Resources and Commodities Trading Business*

During the period, the Group continued to be engaged in the trading of crude palm oil and recorded a turnover of HK\$12.1 million as compared to HK\$23.7 million in the same period last year. The trading performance continued to be sluggish although it will not cast significant impact to the Group's overall financial results.

Consumer Products and Trendy Fashion Business

The Group's sale of consumer products and trendy fashion merchandises was carried out by its wholly-owned subsidiary, MD Inc. Limited ("MD" together with its subsidiaries, the "MD Group"). The MD Group has been actively participated in different marketing activities including but not limited to trade fairs and exhibitions. Apart from the cooperation with renowned trendy brands such as "Subcrew" by producing crossover merchandises, MD also linked up its products to new technologies such as augmented reality applications. The MD Group was recently in cooperation with SETOPING International Limited ("SETOPING") and Luduson Entertainment Limited ("Luduson") for the development and marketing of a series of children and family merchandises (the "AR Merchandises") under the brand name "Happiplayground". "Happiplayground" is a well-known brand in Hong Kong owned by SETOPING featured by its patented cartoon characters and Luduson is an independent game developer specialized in the development of Augmented Reality ("AR")/Virtual Reality ("VR") games and applications. The MD Group has worked together with SETOPING and Luduson in relation to the application of the augmented reality apps (the "AR apps") developed by Luduson on the AR Merchandises. The AR apps utilized the patented cartoon characters of "Happiplayground" adhered to/printed on the AR Merchandises triggering the display of the corresponding characters image in the apps for creative photo shootings. The AR Merchandises are the first series making use of the AR technology on the products developed by MD. The MD Group recorded a turnover of HK\$2.7 million in the period under review.

Money Lending Business

The Group's money lending business has been growing steadily during the period under review. It recorded a turnover of HK\$1.6 million (2015: HK\$1.4 million), which comprised the fee and interest income generated. It continued to contribute positively to the Group's results. The money lending business recorded a net profit of HK\$0.3 million (2015: HK\$0.1 million) during the period under review.

Investment in Listed Securities

During the three months ended 30 June 2016, the Group's investment continued to focus on listed securities in Hong Kong. The Group recorded a net loss in securities investments of HK\$0.4 million for the period under review (2015: net gain of HK\$34.3 million) which was composed of a realized loss of HK\$6.0 million (2015: gain of HK\$10.4 million) and unrealized gain of HK\$5.6 million (2015: gain of HK\$23.9 million). The local securities market remained volatile in the period under review. In view of this, the Group will hold a diversified portfolio across different segment of the market and reduce its portfolio at an appropriate timing.

Packaged Food Business

During the period under review, the Group entered into a conditional sale and purchase agreement with an independent third party for the disposal of the packaged food business (the "Packaged Food Disposal") at a consideration of HK\$2 million. The Directors consider the Packaged Food Disposal allows the Group to exit from subsidizing the non-performing business and create a good opportunity for the Group to restructure its strategic business position and focus its resources in pursuing development opportunities of other existing businesses of the Group. Subsequent to the reporting period, the Packaged Food Disposal was approved by the shareholders of the Company at the extraordinary general meeting held in July 2016 and the Packaged Food Disposal has been completed as at the date of this report.

Other Potential Business – Trading Games and related Products

On 18 March 2016, the Group entered into a conditional purchase agreement for the acquisition of the entire equity interest of Strategy King Holdings Limited which, through its subsidiary specializes in trading of games, console games, and game-related accessories and products in Hong Kong. However, the ordinary resolution in approving the proposed acquisition was not passed by the Shareholders at the extraordinary general meeting held on 3 August 2016 and accordingly, the purchase agreement was terminated.

MATERIAL TRANSACTIONS

During the three months ended 30 June 2016, the Group did not have any material transactions.

OUTLOOK

As the proposed acquisition of the trading of games and related products was not successful, the Group will continue to identify other suitable business and/or investment opportunities that have potential of growth by its own and/or are able to create synergy effect to the existing businesses. Subsequent to the reporting period, the Group has entered into a memorandum of understanding with an independent third party for the acquisition of the entire share capital of Luduson. The Group believe the proposed acquisition, if materialized, will supplement MD's business and it can also grow by its own by capturing the latest popularity of augmented reality and virtual reality technology and is thus in the interest of the Group as a whole.

SHARE OPTION SCHEME

Pursuant to the share option scheme adopted by the Company on 26 September 2010 (the "Share Option Scheme"), certain Directors and participants were granted share options to subscribe for the Company's shares, details of share options outstanding and exercisable during the three months ended 30 June 2016 are set out below:

Name	Capacity	Date of grant	Exercise period (note)	Exercise price per share HK\$	Number of Share		Number of Share Options as at 30 June 2016 (note 2)
					Options as at 1 April 2016	Lapsed during the period	
Directors:							
Mr. Wong Ka Wah, Albert	Director	21 February 2014	21 February 2014 to 20 February 2019	0.253	15,405,000	-	15,405,000
Mr. Hong Sze Lung	Director	21 February 2014	21 February 2014 to 20 February 2019	0.253	15,405,000	-	15,405,000
Mr. Kwong Yuk Lap	Director	21 February 2014	21 February 2014 to 20 February 2019	0.253	2,054,000	-	2,054,000
		13 October 2014	13 October 2014 to 12 October 2016	0.36	2,054,000	-	2,054,000
Mr. Lau Wan Pui, Joseph	Director	21 February 2014	21 February 2014 to 20 February 2019	0.253	3,081,000	-	3,081,000
Mr. Law Chung Lam, Nelson	Director	21 February 2014	21 February 2014 to 20 February 2019	0.253	2,054,000	-	2,054,000
Mr. Chow Chi Fai	Director	21 February 2014	21 February 2014 to 20 February 2019	0.253	1,027,000	-	1,027,000
Mr. Leung Ka Tin	Director	13 October 2014	13 October 2014 to 12 October 2016	0.36	1,027,000	-	1,027,000
					42,107,000	-	42,107,000
Other employees:							
		11 July 2011	11 July 2011 to 10 July 2016	0.346	6,162,000	-	6,162,000
		21 February 2014	21 February 2014 to 20 February 2019	0.253	10,270,000	-	10,270,000
		13 October 2014	13 October 2014 to 12 October 2016	0.36	5,135,000	-	5,135,000
					21,567,000	-	21,567,000

Name	Capacity	Date of grant	Exercise period (note)	Exercise price per share HK\$	Number of Share		
					Options as at 1 April 2016	Lapsed during the period	Number of Share Options as at 30 June 2016 (note 2)
Other grantees:							
		11 July 2011	11 July 2011 to 10 July 2016	0.346	14,378,000	-	14,378,000
		17 February 2014	17 February 2014 to 16 February 2019	0.234	40,053,000	-	40,053,000
		21 February 2014	21 February 2014 to 20 February 2019	0.253	35,945,000	-	35,945,000
		14 July 2014	14 July 2014 to 13 July 2016	0.263	37,896,300	(12,632,100)	25,264,200
		13 October 2014	13 October 2014 to 12 October 2016	0.36	154,222,536	-	154,222,536
					282,494,836	(12,632,100)	269,862,736
					346,168,836	(12,632,100)	333,536,736

Note: These share options are vested immediately upon the grant date.

The options granted to the Directors are registered under the names of the Directors whom are also the beneficial owners.

Save as disclosed above, there were no other options granted, exercised, cancelled or lapsed during the three months ended 30 June 2016.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES AND SHARE OPTIONS

As at 30 June 2016, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (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 and short positions which the Directors and chief executive of the Company were deemed or taken to have under such provisions of the SFO), or which were required to be kept by the Company 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 Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

Name of Director	Number of Shares held	Number of Share Options held	Total interests	Approximate
				percentage of total issued shares
Mr. Wong Ka Wah, Albert	–	15,405,000	15,405,000	0.37%
Mr. Hong Sze Lung	–	15,405,000	15,405,000	0.37%
Mr. Kwong Yuk Lap	–	4,108,000	4,108,000	0.10%
Mr. Lau Wan Pui, Joseph	–	3,081,000	3,081,000	0.07%
Mr. Law Chung Lam, Nelson	–	2,054,000	2,054,000	0.05%
Mr. Chow Chi Fai	–	1,027,000	1,027,000	0.02%
Mr. Leung Ka Tin	–	1,027,000	1,027,000	0.02%

Save as disclosed above, as at 30 June 2016, 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 any 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 deemed or taken to have under such provisions of the SFO), or which were required to be and are recorded in the register required to be kept by the Company under Section 352 of the SFO; or as otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosures on the share options granted to the Directors in the section headed "Directors' and Chief Executive's Interests in Shares and Share Options" above, at no time during the three months ended 30 June 2016 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective associates, or were any such rights exercised by them; or was the Company or any of its subsidiaries, or its holding company, or any of its fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SHARES

As at 30 June 2016, so far as was known to the Directors, the interests and short positions of the persons (other than the interests and short positions of the Directors or chief executive of the Company as disclosed above) in the shares and/or underlying shares of the Company (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company are set out below:

Name of Shareholders	Capacity of interests	Number of Shares in interest	Approximate percentage of total issued shares
Azure Sea Developments Limited	Beneficial owner	2,328,767,123	56.68%
Mr. Lam Hak Ha, Jasper (<i>Note</i>)	Interest in controlled corporation/Beneficial owner	2,329,583,123	85.05%

Note:

Azure Sea Developments Limited is the vendor under the sale and purchase agreement dated 18 March 2016 entered into by the Company in respect of the proposed acquisition of the entire equity interests in Strategy King Holdings Limited. Pursuant to the agreement, the Company shall issue consideration shares and convertible bonds to the vendor upon completion. The 2,328,767,123 shares represents the aggregate of the consideration shares and the conversion shares which may fall to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds by the vendor. The entire issued share capital of Azure Sea Developments Limited was beneficially owned by Lam Hak Ha Jasper ("Mr. Lam"). As at 30 June 2016, Mr. Lam also owns 816,000 Shares.

Save as disclosed above, as at 30 June 2016, the Company had not been notified of any other person (other than the Directors or chief executive of the Company) who had a discloseable interest or short position in the Shares as recorded in the register required to be kept under section 336 of the SFO.

CONNECTED TRANSACTIONS

Save as disclosed in note 8 to the unaudited consolidated results, the Directors are not aware of any connected transactions of the Group that shall be disclosed in this report.

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

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the three months ended 30 June 2016.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

During the three months ended 30 June 2016 and up to the date of this report, the Directors are not aware of any business or interest of the Directors, the controlling shareholders of the Company and their respective close associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict 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 as 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 2016.

CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions as set out in the Corporate Governance Code contained in Appendix 15 of the GEM Listing Rules throughout the period under review.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. The principal duties of the Audit Committee are to review and supervise the financial reporting process and internal control procedures of the Group and to provide advice and comments thereon to the Board.

The Audit Committee currently comprises two independent non-executive Directors, namely, Mr. Chow Chi Fai (the Chairman of the Audit Committee) and Mr. Tam Chak Chi and one non-executive Director, namely Mr. Lau Wan Pui, Joseph. The unaudited consolidated results of the Group for the three months ended 30 June 2016 have been reviewed by the Audit Committee.

By order of the Board
Wealth Glory Holdings Limited
Hong Sze Lung
Chairman

Hong Kong, 12 August 2016

As at the date of this report, the Board comprises five Directors, including one executive Director, namely, Mr. Hong Sze Lung; two non-executive Directors namely, Mr. Lau Wan Pui, Joseph and Mr. Law Chung Lam, Nelson and two independent non-executive Directors, namely, Mr. Tam Chak Chi and Mr. Chow Chi Fai.