

譽滿國際（控股）有限公司
Celebrate International Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
Stock code : 8212



2018 / 2019
FIRST QUARTERLY REPORT

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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the 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.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

*This report, for which the board (the “**Board**”) of directors (“**Directors**”) of Celebrate International Holdings Limited (“**Company**”, and together with its subsidiaries “**Group**”) collectively and individually accepts full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (“**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.*

RESULTS

The Board is pleased to present the unaudited condensed consolidated results of the Group for the three months ended 30 September 2018, together with comparative figures for the same corresponding period in 2017 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the three months ended 30 September	
		2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Turnover	2	19,424	14,154
Revenue	2	18,500	11,154
Cost of sales		(3,987)	(8,665)
Gross profit		14,513	2,489
Other income	3	1	17
Administrative expenses		(5,743)	(12,210)
Other operating expenses	4	(57,386)	(32,565)
Loss from operations		(48,615)	(42,269)
Finance costs		(620)	(930)
Share of loss of an associate		-	(283)
Loss before taxation		(49,235)	(43,482)
Income tax credit	5	-	70
Loss for the period		(49,235)	(43,412)
Attributable to:			
Owners of the Company		(49,233)	(43,412)
Non-controlling interests		(2)	-
		(49,235)	(43,412)

**For the three months
 ended 30 September**

	2018	2017
<i>Notes</i>	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss for the period	(49,235)	(43,412)
Other comprehensive income for the period		
<i>Item that may be reclassified subsequently to profit or loss</i>		
Exchange difference on translation of financial statements	1,737	514
Total comprehensive expense for the period	(47,498)	(42,898)
Attributable to:		
Owners of the Company	(47,496)	(42,898)
Non-controlling interests	(2)	-
Loss per share attributable to the owners of the Company		
- Basic and diluted	(HK3.2 cents)	(HK2.8 cents)

6

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY*For the three months ended 30 September 2018*

	Share capital	Share premium	Exchange reserves	Capital reserve	Accumulated losses	Total	Non- controlling interests	Total equity
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
At 1 July 2018 (Audited)	153	1,589,573	(578)	15,826	(1,382,223)	222,751	55,925	278,676
Loss for the period	-	-	-	-	(49,233)	(49,233)	(2)	(49,235)
Other comprehensive income for the period:								
Exchange difference arising on translation of foreign operations which may be subsequently reclassified to profit or loss	-	-	1,737	-	-	1,737	-	1,737
Total comprehensive income/(expense) for the period	-	-	1,737	-	(49,233)	(47,496)	(2)	(47,498)
At 30 September 2018 (Unaudited)	153	1,589,573	1,159	15,826	(1,431,456)	175,255	55,923	231,178
At 1 July 2017 (Audited)	153	1,589,573	316	15,826	(1,227,044)	378,824	55,939	434,763
Loss for the period	-	-	-	-	(43,412)	(43,412)	-	(43,412)
Other comprehensive income for the period:								
Exchange difference arising on translation of foreign operations which may be subsequently reclassified to profit or loss	-	-	514	-	-	514	-	514
Total comprehensive income/(expense) for the period	-	-	514	-	(43,412)	(42,898)	-	(42,898)
At 30 September 2017 (Unaudited)	153	1,589,573	830	15,826	(1,270,456)	335,926	55,939	391,865

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL INFORMATION

For the three months ended 30 September 2018

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The Group's unaudited condensed consolidated results for the three months ended 30 September 2018 have been prepared in accordance with the applicable disclosure requirements set out in Chapter 18 of the GEM Listing Rules and Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

The HKICPA has issued a number of new and revised HKFRS and interpretations that are effective or available for early adoption for the current accounting period of the Company. The Group is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. The accounting policies adopted in preparing the unaudited consolidated results for the three months ended 30 September 2018 are consistent with those adopted in the financial statements of the Group for the year ended 30 June 2018, except for the adoption of the new HKFRS and amendments to HKFRSs that are relevant and effective for the annual period beginning on 1 July 2018.

The unaudited consolidated results for the three months ended 30 September 2018 have been prepared under the historical cost basis except for the valuation of certain financial instruments, which are measured at fair value, as appropriate.

The consolidated results of the Group for the three months ended 30 September 2018 are unaudited but have been reviewed by the audit committee of the Company.

2. TURNOVER AND REVENUE

For management purpose, the Group is currently organized into business units based on their products and services and has six (2017: six) reportable and operating segments as follows:

- (a) Trading of food and beverage segment is a strategic business unit which is engaged in the provision of quality food and beverage;
- (b) Money lending segment provides funds to clients and receives loan interest income in return;
- (c) Health care services provide hot stone spa and health related services;
- (d) Securities investment and trading is engaged in purchase and sale of securities and investment;
- (e) Logistic services provide general services in palletization, receiving and delivery, custom clearance for both air and ocean cargoes, and warehousing; and
- (f) Property investment is engaged in investment in properties.

An analysis of the Group's turnover and revenue is as follows:

	For the three months ended 30 September	
	2018	2017
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Revenue		
Revenue from food and beverage trading	-	4,032
Interest income from money lending	1,663	2,591
Revenue from health care services	186	277
Revenue from logistic services	2,361	4,254
Dividend income from listed securities	14,290	-
	<hr/>	
	18,500	11,154
Turnover		
Proceeds from sale of listed securities	924	3,000
	<hr/>	
	19,424	14,154
	<hr/>	

3. OTHER INCOME

	For the three months ended 30 September	
	2018	2017
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest income	1	1
Sundry income	-	16
	<hr/>	
	1	17
	<hr/>	

4. OTHER OPERATING EXPENSES

	For the three months ended 30 September	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Loss on liquidation of a subsidiary	12,447	–
Fair value loss on investment property	1,686	–
Loss on disposal of financial assets at fair value through profit or loss	84	90
Fair value loss of financial assets at fair value through profit or loss	43,169	32,301
Loss on early redemption of promissory note	–	174
	57,386	32,565

5. INCOME TAX CREDIT

Hong Kong profits tax provided at the rate of 16.5% on the estimated assessable profit is as follows:

	For the three months ended 30 September	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Current tax	–	–
Deferred tax credit	–	70
	–	70

The reconciliation between the income tax credit and the loss before tax multiplied by the Hong Kong profits tax rate is as follows:

	For the three months ended 30 September	
	2018 HK\$'000 (Unaudited)	2017 HK\$'000 (Unaudited)
Loss before taxation	(49,235)	(43,482)
Tax at domestic income tax rate of 16.5% (for the three months ended 30 September 2017: 16.5%)	(8,124)	(7,175)
Tax effect of overseas jurisdiction	(85)	–
Tax effect of expenses and losses that are not deductible	7,438	6,173
Tax effect of tax losses and deductible temporary differences not recognised	771	932
Income tax credit	–	(70)

6. LOSS PER SHARE

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

	For the three months ended 30 September	
	2018	2017
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company for the purpose calculating basic loss per share	(49,233)	(43,412)
	<hr/>	
	For the three months ended 30 September	
	2018	2017
	(Unaudited)	(Unaudited)
		(Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic loss per share	1,533,654,788	1,533,654,788
	<hr/>	

The Company had no dilutive ordinary shares in issue during the three months ended 30 September 2018 and 2017.

7. DIVIDEND

The Directors do not recommend the payment of any dividend for the three months ended 30 September 2018 (for the three months ended 30 September 2017: Nil).

8. RELATED PARTY TRANSACTIONS

	For the three months ended 30 September	
	2018	2017
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loan interest income from the associate	-	12
Compensation of directors and key management personnel (short-term benefits)	690	729
	<hr/>	

9. COMPARATIVE FIGURES

Certain comparative figures have been reclassified and represented to conform with the current year's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

Review of Operation

Food and Beverage Trading

Due to the unfavourable economic condition in the People's Republic of China ("PRC") and the trade tariff, the operation of our subsidiaries, Volk Favour Food Group Limited and its subsidiaries, ceased its operation during the year ended 30 June 2018. Hence, for the three months ended 30 September 2018, food and beverage trading recorded no turnover which represented substantial decrease by 100% from the corresponding period in 2017. The Group is currently seeking for feasible opportunities.

Money Lending

Since the change of control in the Company in the beginning of 2018, there were changes of board composition in the Company as well. The new management of the Company has reviewed the financial position and the operations of the Group. Given the recent decline in the profitability, the Directors become more cautious about the prospect of money lending. Accordingly, the Directors consider it is more prudent for the Group to liquidate Grand Faith Finance Limited ("Grand Faith") and reallocate its resources to set up a new vehicle which principally engages in money lending business. The Directors consider that the poor financial performance of Grand Faith would adversely affect its reputation and thus its business development ability. Hence, the Group decided to place Grand Faith into Creditors' voluntary liquidation ("Voluntary Liquidation"). For further details of the Voluntary Liquidation, please refer to the Company's announcements dated 24 July 2018 and 9 August 2018.

Interest income recorded by Grand Faith up to the date of the Group lost its control and Grand Faith was no longer being classified as a subsidiary of the Company was amounted to approximately HK\$1.7 million, which represents a decrease of approximately 35.8% from the corresponding period in 2017.

The Group will assess the recoverability of the loan portfolio with the liquidator from time to time. If there is any balances subsequently received, the distribution will be in pieces to the creditors of Grand Faith, which include the Company and the fellow subsidiary of Grand Faith for funding its daily operation resources.

Health Care Services

Health care services, which mainly provide hot stone spa and health related services, commenced operation in February 2015 with the establishment of a health centre in North Point. For the three months ended 30 September 2018, revenue generated from this business segment amounted to approximately HK\$186,000, which has decreased by approximately 32.9% from that of approximately HK\$277,000 recorded for the corresponding three months in 2017. The Board considers that the decrease in revenue is mainly caused by intensive competition in the market of high quality health centre. Looking ahead, the Group will keep revisiting the service charge in order to allow our market share to be sustainable.

In line with the corporate strategy for further fostering the Group's revenue and diversifying the Group's revenue base, the Group is currently in the process of establishing another health centre in Shanghai. Since the shop has to perform re-decoration in order to obtain certain approval from the government authorities. Hence, the completion of renovation and construction work is postponed.

Securities Investment and Trading

During the three months ended 30 September 2018, there has been a downswing in the stock market. As a results, leveraging on the cautious approach to securities trading, the Group only managed to generate a turnover of approximately HK\$924,000 during the three months ended 30 September 2018 (for the three months ended 30 September 2017: approximately HK\$3.0 million) which gave rise to a loss on disposal of approximately HK\$84,000 (for the three months ended 30 September 2017: approximately HK\$90,000) from securities trading. Furthermore, a dividend income from a listed security is approximately HK\$14.3 million (for the three months ended 30 September 2017: nil). The Group will continue to adopt the cautious approach in making investment decision in securities dealing so as to obtain a balance between risk and return.

As at 30 September 2018, the Group recorded a fair value loss on financial assets through profit or loss of approximately HK\$43.2 million (for the three months ended 30 September 2017: loss of HK\$32.3 million) and the aggregate fair value of the listed securities amounted to approximately HK\$120.3 million (30 September 2017: approximately HK\$143.7 million). The Group intends to diversify its investment portfolio in order to reduce the relevant concentration and investment risks. Given the nature of securities investment and trading business, it is crucial for the Group to have readily available funds in order to capture suitable investment opportunities which may arise from time to time in a timely fashion to provide investment return to the Group.

Details of the listed securities held by the Group are as follows:

Stock code	Name of the investee company and its principal activities	Investment cost						Gain/(loss) on change in fair value for the three months ended	
		Number of shares held		(Note)		Fair value		30 September	
		30 September 2018	30 September 2017	30 September 2018	30 September 2017	30 September 2018	30 September 2017	30 September 2018	30 September 2017
		'000	'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
0279	Freeman FinTech Corporation Limited (Provision of securities and futures, insurance brokerage and financial advisory services)	-	100,000	-	52,000	-	46,000	-	(6,000)
0530	Goldin Financial Holdings Limited (Provision of factoring service, investment, winery business; property development and investment)	-	6,706	-	23,703	-	24,544	-	841
0718	Tai United Holdings Limited (Investment and assets management and holding the mining right and exploration and evaluation assets)	50,000	-	38,000	-	20,500	-	(17,500)	-
0943	eForce Holdings Limited (Manufacture and sale of healthcare and household products, and coal mining)	56,605	56,605	11,321	3,750	10,132	3,340	(1,189)	(410)
1166	Solartech International Holdings Limited (Manufacture and trading of cable and wires, copper rods, metallurgical grade bauxite, holding of mining right and exploration and evaluation assets)	66,500	54,540	83,790	23,389	63,175	26,997	(20,615)	3,609
8103	hmvod Limited (Systems development, professional services, proprietary trading, money lending, property investment and OTT service)	7,020	4,460	14,250	9,066	8,915	8,474	(5,335)	(592)
8153	Code Agriculture (Holdings) Limited (Provision of digital television services, provision of car beauty services and money lending)	60,185	65,390	6,380	19,458	5,296	19,617	(1,084)	159
8202	Inno-Tech Holdings Limited (Buses and bus stations advertising business in the People's Republic of China)	49,122	48,172	9,727	41,909	12,281	12,284	2,554	(29,626)
8228	National Arts Entertainment and Culture Group Limited (Film production and distribution, provision of management services for artists and operations of film studio and hotels)	-	4,200	-	937	-	874	-	(63)
8356	CNC Holdings Limited (Provision of waterworks engineering services, television broadcasting and large outdoor display screen advertising)	-	19,900	-	1,751	-	1,532	-	(219)
				163,468	175,963	120,299	143,662	(43,169)	(32,301)

Note: Investment cost represents average acquisition costs for the listed securities. Some of the investments in the listed securities were made by the Group in prior periods. For those part of investments in listed securities which were made in prior periods, they were subject to fair value adjustments and gain/(loss) on change in fair value were recognized at the end of the respective periods. The gain/(loss) on change in fair value of the listed securities for the three months ended 30 September 2018 and 30 September 2017 excluded those amount being recognized in prior periods.

Details of the listed securities disposed of are as follows:

Stock code	Name of the investee company	Three months ended 30 September 2018		Three months ended 30 September 2017	
		Number of shares disposed of '000	Loss on disposal HK\$'000	Number of shares disposed of '000	Loss on disposal HK\$'000
8103	hmvod Limited	-	-	1,500	(90)
8228	National Arts Entertainment and Culture Group Limited	2,840	(84)	-	-
			(84)		(90)

Property investment

The Group is now holding an investment property in Chaoyang District, Beijing in PRC. Due to the unfavourable economic condition and tightened regulations in PRC, it led to have negative impact on the property market. The property market in PRC is correlated to the regulations implemented by the government. The Group put more cautiousness on the condition. The acquisition of the property in Hainan is also influenced by the tightened regulation in PRC during 2018 and will be completed upon obtaining all the relevant certificates, approvals and title documents.

Logistic services

The operation of logistics has temporarily suspended due to its storage forced to closed down by the landlord. During the three months ended 30 September 2018, the turnover generated by this business unit was approximately HK\$2.4 million which represents the decrease by approximately 44.4% from HK\$4.3 million during the corresponding period in 2017. The Group is seeking for the storage place in order to resume the operation.

Financial Review

Turnover

The Group recorded an unaudited consolidated turnover of approximately HK\$19.4 million for the three months ended 30 September 2018 (for the three months ended 30 September 2017: HK\$14.2 million), representing an increase of over 36.6% as compared to the for the three months ended 30 September 2017. The increase was primarily attributable to the dividend income received from listed securities.

Gross Profit

The Group's gross profit has increased from approximately 22.3% for the three months ended 30 September 2017 to a gross profit of approximately 78.5% for the three months ended 30 September 2018. This is primarily due to the special dividend income received during the period.

Administrative Expenses

The administrative expenses decreased by approximately HK\$6.5 million, which is a reduction of about 53.3% over the previous corresponding period in 2017. This is mainly resulted from decrease in number of staff and corporate exercises performed.

Other Operating Expenses

For the three month ended 30 September 2018, the Group incurred a substantial loss of approximately HK\$43.2 million (for the three months ended 30 September 2017: loss of approximately 32.3 million) on the change in fair value of financial assets at fair value through profit or loss. Moreover, a loss on liquidation of the subsidiary amounted to approximately HK\$12.4 million was incurred during the three months ended 30 September 2018 (for the three months ended 30 September 2017: nil). Since Grand Faith was under voluntary liquidation, the Group lost its control and it ceased to be classified as a subsidiary of the Company. These expenses are included in the other operating expenses in the condensed consolidated statement of profit or loss and other comprehensive income.

Share of loss of an associate

Share of loss of an associate amounting to HK\$nil (for the three months ended 30 September 2017: HK\$283,000) represents share of results of the Group's 49% interest in Baron's School of Music Limited ("Baron"), which was acquired in August 2012. The carrying amount of investment in an associate came to zero up to 30 June 2018 as it was impaired and shared the post-acquisition loss. Baron was founded and is currently operated by a famous producer in Hong Kong, Mr. Ng Lok Shing, Ronald. It is principally engaged in providing high quality programmes and courses in both classical and contemporary music.

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

As at 30 September 2018, the interest and short position of the Directors and chief executive of the Company and their respective associates in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (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 have taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long position in ordinary shares of the Company

Name of Director	Capacity/nature of interest	Number of issued ordinary shares held	Approximate percentage of shareholdings
Ng Kwok Wing Michael (<i>Note</i>)	Interest of controlled corporation	991,689,459	64.66%

Note: 991,689,459 shares of the Company are held by Nieumarkt Investment Ltd, a company wholly owned by Mr. Ng Kwok Wing, Michael, the Chairman of the Company.

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 to 5.67 of the GEM Listing Rules as at 30 September 2018.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at the annual general meeting held on 20 November 2012, a new share option scheme ("Option Scheme") was adopted for the purpose of providing incentives and rewards to eligible participants who have contributed or may contribute to the success of the Group's operation.

There was no share option granted under the share option scheme for the three months ended 30 September 2018, and there was no share option outstanding as at 30 September 2018.

DIRECTOR'S RIGHTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the above "SHARE OPTION SCHEME", at no time during the three months ended 30 September 2018 was the Company or any of its holding companies, subsidiaries or fellow subsidiaries a party to any arrangements to enable the Directors and chief executives of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any body corporate, and none of the Directors and chief executives or their spouses or children under the age of 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the period.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 September 2018, so far as is known to the Directors and the chief executives of the Company, the interests and short positions of the persons or corporations in the shares or underlying shares of the Company which have been disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept by the Company under section 336 of the SFO directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company were as follows:

Long positions in shares and underlying shares of the Company

Name of Shareholder	Capacity in which interests are held	Number of issued ordinary shares held	Approximate percentage of shareholdings
Nieumarkt Investments Ltd (<i>Note</i>)	Beneficial owner	991,689,459	64.66%

Note: The entire issued share capital of Nieumarkt Investments Ltd. is owned by Mr. Ng Kwok Wing, Michael, the Chairman of the Company.

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

During the three months ended 30 September 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPETING INTERESTS

None of the Directors or the management shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had any business that competed or might compete with the business of the Group.

COMPLIANCE WITH RULES 5.48 TO 5.67 OF THE GEM LISTING RULES

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding directors' dealing in securities of the Company. The Company's Directors have complied with such code of conduct and the required standard of dealings.

AUDIT COMMITTEE

The Company established an audit committee with written terms of reference based on the guidelines recommended by the Hong Kong Institute of Certified Public Accountants and the mandatory provisions in the Code on Corporate Governance Practices of the GEM Listing Rules. The primary duties of the audit committee are to review the Company's annual report and accounts, interim report and quarterly reports and to provide advices and comments thereon to the Board. The audit committee is also responsible for reviewing the accounting principles and practices adopted by the Group and also the auditing, internal control and financial reporting matters.

The audit committee consists of three independent non-executive Directors, namely Mr. Chow Chi Wah, Vincent, Ms. Chow Mun Yee and Mr. Ma Ka Ki. Mr. Chow Chi Wah, Vincent is the chairman of the audit committee. The Group's unaudited condensed consolidated results for the three months ended 30 September 2018 have been reviewed by the audit committee which was of the opinion that the preparation of such results complied with applicable accounting standards and requirements and that adequate disclosures were made.

By Order of the Board
CELEBRATE INTERNATIONAL HOLDINGS LIMITED
Ng Kwok Wing Michael
Chairman

Hong Kong, 13 November 2018

As at the date of this report, the Directors of the Company are:

Executive Directors

Mr. Ng Kwok Wing, Michael (*Chairman*)
Mr. Suen Yick Lun, Philip

Independent Non-executive Directors

Mr. Chow Chi Wah, Vincent
Ms. Chow Mun Yee
Mr. Ma Ka Ki

This report will remain on the website of GEM at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days and on the website of the Company at www.ciholdings.com.hk.