

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**  
**THIRD 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 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.**

**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.**

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*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 this report misleading.*

**RESULTS**

The Board is pleased to present the unaudited condensed consolidated results of the Group for the three months and nine months ended 31 March 2019, together with comparative unaudited figures for the same corresponding period in 2018 were as follows:

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

	Notes	For the three months ended 31 March		For the nine months ended 31 March	
		2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)
<b>Turnover</b>	3	<b>16,741</b>	86,101	<b>36,649</b>	135,489
<b>Revenue</b>	3	<b>125</b>	11,598	<b>19,109</b>	33,482
<b>Cost of sales</b>		<b>(1,338)</b>	(6,482)	<b>(7,881)</b>	(23,131)
<b>Gross (loss)/profit</b>		<b>(1,213)</b>	5,116	<b>11,228</b>	10,351
Other income	4	<b>46,805</b>	21,282	<b>11,526</b>	2,427
Administrative expenses		<b>(5,704)</b>	(11,558)	<b>(16,603)</b>	(44,448)
Other operating expenses	5	<b>(40,240)</b>	(33,988)	<b>(137,394)</b>	(52,411)
<b>Loss from operations</b>		<b>(352)</b>	(19,148)	<b>(131,243)</b>	(84,081)
Finance costs		<b>(728)</b>	(850)	<b>(1,982)</b>	(2,601)
Share of loss of an associate		-	(283)	-	(944)
<b>Loss before taxation</b>		<b>(1,080)</b>	(20,281)	<b>(133,225)</b>	(87,626)
Income tax credit	6	-	109	-	329
<b>Loss for the period</b>		<b>(1,080)</b>	(20,172)	<b>(133,225)</b>	(87,297)
<b>Attributable to:</b>					
Owners of the Company		<b>(1,080)</b>	(20,170)	<b>(133,223)</b>	(87,288)
Non-controlling interests		-	(2)	<b>(2)</b>	(9)
		<b>(1,080)</b>	(20,172)	<b>(133,225)</b>	(87,297)
<b>Loss per share attributable to owners of the Company</b>					
Basic and diluted ( <i>HK cents</i> )	8	<b>(0.07)</b>	(1.32)	<b>(8.69)</b>	(5.70)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME**

	For the three months ended 31 March		For the nine months ended 31 March	
	2019 <i>HK\$'000</i> (Unaudited)	2018 <i>HK\$'000</i> (Unaudited)	2019 <i>HK\$'000</i> (Unaudited)	2018 <i>HK\$'000</i> (Unaudited)
<b>Loss for the period</b>	<b>(1,080)</b>	(20,172)	<b>(133,225)</b>	(87,297)
<b>Other comprehensive (loss)/income for the period</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange difference on translation of financial statements	481	(1,145)	108	105
Release of exchange reserve to profit or loss upon cessation of a subsidiary	-	-	2,548	-
<i>Item that will not be reclassified subsequently to profit or loss:</i>				
Fair value (loss)/gain on financial assets at fair value through other comprehensive income	(1,198)	-	2,425	-
<b>Total comprehensive loss for the period</b>	<b>(1,797)</b>	(21,317)	<b>(109,144)</b>	(87,192)
<b>Attributable to:</b>				
Owners of the Company	(1,797)	(21,315)	(109,142)	(87,183)
Non-controlling interests	-	(2)	(2)	(9)
	<b>(1,797)</b>	(21,317)	<b>(109,144)</b>	(87,192)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the nine months ended 31 March 2019

	Attributable to owners of the Company								
	Share capital	Share premium	Capital reserve	Exchange reserve	Financial assets at FVOCI reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 July 2018 (Audited)	153	1,589,573	15,826	(578)	-	(1,382,223)	222,751	55,925	278,676
Reclassification of financial assets at fair value through other comprehensive income ("FVOCI") reserve under HKFRS9 (defined hereafter)	-	-	-	-	(5,383)	5,383	-	-	-
<b>At 1 July 2018 (Restated)</b>	<b>153</b>	<b>1,589,573</b>	<b>15,826</b>	<b>(578)</b>	<b>(5,383)</b>	<b>(1,376,840)</b>	<b>222,751</b>	<b>55,925</b>	<b>278,676</b>
Loss for the period	-	-	-	-	-	(133,223)	(133,223)	(2)	(133,225)
Other comprehensive income for the period:									
Exchange difference on translation of financial statements	-	-	-	108	-	-	108	-	108
Release of exchange reserve to profit or loss upon cessation of a subsidiary	-	-	-	2,548	-	-	2,548	-	2,548
Fair value gain on financial assets at FVOCI	-	-	-	-	21,425	-	21,425	-	21,425
Total comprehensive income/(loss) for the period	-	-	-	2,656	21,425	(133,223)	(109,142)	(2)	(109,144)
<b>At 31 March 2019 (Unaudited)</b>	<b>153</b>	<b>1,589,573</b>	<b>15,826</b>	<b>2,078</b>	<b>16,042</b>	<b>(1,510,063)</b>	<b>113,609</b>	<b>55,923</b>	<b>169,532</b>
At 1 July 2017 (Audited)	153	1,589,573	15,826	316	-	(1,227,044)	378,824	55,939	434,763
Loss for the period	-	-	-	-	-	(87,288)	(87,288)	(9)	(87,297)
Other comprehensive income for the period:									
Exchange difference on translation of financial statements	-	-	-	105	-	-	105	-	105
Total comprehensive income/(loss) for the period	-	-	-	105	-	(87,288)	(87,183)	(9)	(87,192)
At 31 March 2018 (Unaudited)	153	1,589,573	15,826	421	-	(1,314,332)	291,641	55,930	347,571

## NOTES TO CONDENSED CONSOLIDATED FINANCIAL INFORMATION

*For the nine months ended 31 March 2019*

### 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated results for the nine months ended 31 March 2019 have been prepared in accordance with the applicable disclosure requirements set out in the Chapter 18 of the GEM Listing rules and the Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The unaudited condensed consolidated results for the nine months ended 31 March 2019 have been prepared under the historical cost convention except for the valuation of certain financial instruments, which are measured at fair value, as appropriate. The accounting policies used in the preparation of the unaudited condensed consolidated results for the nine months ended 31 March 2019 are consistent with those used in the Group’s audited financial statements for the year ended 30 June 2018, except for the adoption of the new HKFRSs and amendments to HKFRSs that are relevant and effective for the annual period beginning on 1 July 2018. The unaudited condensed consolidated results of the Group for the three months and nine months ended 31 March 2019 are unaudited, but have been reviewed by the audit committee of the Company.

### 2. APPLICATION OF NEW AND REVISED HKFRSs

A number of new or amended standards became applicable for the current reporting period and the Group had to change its accounting policies and make adjustments as a result of adopting HKFRS 15 “Revenue from Contracts from Customers” and HKFRS 9 “Financial Instruments”. The impact of the adoption of these standards and the new accounting policies were disclosed in the Interim Report. The other standards did not have material impact on the Group’s accounting policies and did not require retrospective adjustments.

The Group has commenced an assessment of the impact of the other new and amended standards and interpretations, but is not yet in a position to state whether they would have significant impacts on its results of operations and financial position.

### 3. TURNOVER AND REVENUE

For management purposes, the Group is organized into business units based on their products, services and investments and has six (2018: six) reportable 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) Logistic services provide general services in palletization, receiving and delivery, and custom clearance for both air and ocean cargoes and warehousing;
- (d) Health care services operates health centres for the provision of hot stone spa and health related services;
- (e) Securities investment and trading is engaged in purchase and sale of securities and investment; and

(f) Property investment is engaged in investment in properties.

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

	For the three months ended 31 March		For the nine months ended 31 March	
	2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)
Food and beverage trading	-	1,848	-	8,227
Interest income from money lending	-	5,937	1,663	11,465
Logistic services	125	3,560	2,869	12,936
Health care services	-	253	287	854
Dividend income from listed securities	-	-	14,290	-
<b>Revenue</b>	<b>125</b>	<b>11,598</b>	<b>19,109</b>	<b>33,482</b>
Proceeds from sales of listed securities	16,616	74,503	17,540	102,007
<b>Turnover</b>	<b>16,741</b>	<b>86,101</b>	<b>36,649</b>	<b>135,489</b>

#### 4. OTHER INCOME

	For the three months ended 31 March		For the nine months ended 31 March	
	2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)
Compensation income on profit guarantee	5,000	-	5,000	-
Gain on disposal of property, plant and equipment	4	-	4	-
Distribution from a former subsidiary	-	-	5,000	-
Reversal of written-off of financial assets at fair value through profit or loss	-	-	1,494	-
Gain on fair value change of investment property	553	1,783	-	1,783
Fair value gain of financial assets at fair value through profit or loss	41,248	18,977	-	-
Reversal of impairment loss on trade receivables	-	515	-	515
Interest income	-	1	1	2
Sundries	-	6	27	127
	<b>46,805</b>	<b>21,282</b>	<b>11,526</b>	<b>2,427</b>

## 5. OTHER OPERATING EXPENSES

	For the three months ended 31 March		For the nine months ended 31 March	
	2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)	2019 HK\$'000 (Unaudited)	2018 HK\$'000 (Unaudited)
Loss on disposal of financial assets at fair value through profit or loss	40,219	9,917	40,303	6,017
Fair value loss of financial assets at fair value through profit or loss	-	-	70,757	8,678
Loss on cessation of health care service operation	-	-	12,740	-
Loss on liquidation of a subsidiary	-	-	12,447	-
Fair value loss on investment property	-	-	1,126	-
Impairment loss on an investment fund	-	2,026	-	15,388
Loss on early redemption of promissory notes	-	45	-	328
Provision for doubtful debts	-	22,000	-	22,000
Sundries	21	-	21	-
	<b>40,240</b>	<b>33,988</b>	<b>137,394</b>	<b>52,411</b>

## 6. INCOME TAX

No income tax expenses incurred for the nine months ended 31 March 2019 as no assessable profit was generated. The income tax credit of approximately HK\$0.3 million for the nine months ended 31 March 2018 represents a deferred tax credit arising from reversal of timing differences of intangible assets from acquisition of subsidiaries.

## 7. DIVIDEND

The Directors do not recommend the payment of any dividend for the nine months ended 31 March 2019 (nine months ended 31 March 2018: Nil).



**8. 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 31 March		For the nine months ended 31 March	
	2019	2018	2019	2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Loss attributable to owners of the Company for the purpose of calculating basic loss per share (HK\$'000)	<b>(1,080)</b>	(20,170)	<b>(133,223)</b>	(87,288)
<b>Number of shares</b>				
Weighted average number of ordinary shares for the purpose of calculating basic loss per share ('000)	<b>1,533,655</b>	1,533,655	<b>1,533,655</b>	1,533,655

The Group had no potential dilutive ordinary shares in issue during the above periods.

**9. COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the current period's presentation.

**10. EVENT AFTER REPORTING PERIOD**

On 28 January 2019, the Company entered into an agreement with an independent third party in relation to the acquisition of the entire issued share capital of Hope Capital Limited (the "**Acquisition**"), which include a licensed corporation under the Securities and Future Ordinance to carry out Type 1 (dealing in securities) regulated activity. The consideration of the acquisition is approximately HK\$40.7 million which will be settled by the way of cash by the Company to the Vendor. For further details, please refer to the Company's announcement dated 28 January 2019.

The Acquisition has been approved by way of written shareholder's approval pursuant to Rule 19.44 of GEM Listing Rules in lieu of a general meeting of the Company. The circular in relation to the Acquisition has been despatched to the shareholders of the Company for information only. For further details, please refer to the circular dated 26 April 2019.

As at the date of this report, the application for the change in substantial shareholder of Hope Securities Limited to the Securities and Futures Commission is still in progress, therefore the Acquisition is not yet completed.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review and Prospect

#### *Food and Beverage Trading*

Due to the unfavourable economic condition in the People's Republic of China (“**PRC**”) and the trade tariff, our subsidiary, Volk Favor Food Group Limited and its subsidiaries ceased their operation during the year ended 30 June 2018. As a result, no revenue was recorded during the nine months ended 31 March 2019 (for the nine months ended 31 March 2018: approximately HK\$8.2 million). It also represented 100% decrease in revenue of this business segment compared to the corresponding period in 2018.

The Group may resume the operation should any suitable opportunities arise.

#### *Money Lending*

Since the change of control in the Company at 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. The Directors consider that the poor financial performance of Grand Faith would adversely affect its reputation and thus its business development. Accordingly, the Directors consider it is 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. Hence, the Group decided to place Grand Faith into creditors' voluntary liquidation.

Interest income recorded by the Group up to the date of the loss of control of Grand Faith amounted to approximately HK\$1.7 million, which represents a decrease of approximately 85.2% from the corresponding period in 2018.

During the nine months ended 31 March 2019, the Company received a first interim dividend distribution of HK\$5.0 million arising out of the Company's admitted ordinary claims against Grand Faith.

The Group keeps assessing the recoverability status of the loan portfolio with the liquidator from time to time.

For further details, please refer to the Company's announcements dated 24 July 2018, 9 August 2018 and 28 December 2018.

The Group may reallocate its resources to set up a new vehicle which principally engages in money lending business if any opportunities identified.

**Logistic Services**

Since the warehouse was forced to shut down during the year ended 30 June 2018, the services provided were materially limited. As a result, the revenue of this business segment only recorded approximately HK\$2.9 million for the nine months ended 31 March 2019 (for the nine months ended 31 March 2018: approximately HK\$12.9 million). As the competition within the industry is intensive nowadays, the Group will keep running at the present level until opportunities identified.

**Health Care Services**

Health care services mainly provide hot stone spa and health related services.

Revenue generated from this business segment during the nine months ended 31 March 2019 amounted to approximately HK\$0.3 million, representing a decrease of approximately 66.7% from that of approximately HK\$0.9 million recorded for the corresponding period in 2018.

The Group had much input this business segment and still kept making loss these years. After the thorough consideration of the Board, the Company determined to cease the operation of both Sharp Elegant Limited and its subsidiary in Shanghai on 19 December 2018.

As a result of the cessation of the operation, loss on cessation of health care service operation incurred for the nine months ended 31 March 2019 amounted to approximately HK\$12.7 million (for the nine months ended 31 March 2018: nil). For further details, please refer to the Company's announcement dated 19 December 2018.

The Company may resume the operation if any opportunities are identified.

**Securities Investment and Trading**

The Group managed to generate proceeds from sales of listed securities of approximately HK\$17.5 million (nine months ended 31 March 2018: approximately HK\$102.0 million) and recognized a loss on disposal of listed securities approximately HK\$40.3 million (nine months ended 31 March 2018: loss on disposal of listed securities approximately HK\$6.0 million) during the nine months ended 31 March 2019.

As at 31 March 2019, the size of the listed securities amounted to approximately HK\$71.2 million (31 March 2018: approximately HK\$98.7 million). The Group intends to diversify its investment portfolio in order to reduce concentration and better manage investment risks. Given the nature of securities investment and trading business, it is crucial for the Group to maintain a reasonable sum of readily available funds to capture suitable investment opportunities which may arise from time to time to generate investment return.

Details of the listed securities investment portfolio are as follows:

Stock code	Name of investee company	Principal activities	Number of shares held		Investment cost (Note)		Fair value		Gain/(Loss) on change in fair value (for the nine months ended 31 March)	
			(as at 31 March)		(as at 31 March)		(as at 31 March)		2019	
			2019	2018	2019	2018	2019	2018	2019	2018
			'000	'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
0530	Goldin Financial Holdings Limited	Provision of factoring service, investment, winery business, property development and investment	-	1,000	-	3,548	-	3,650	-	102
0718	Tai United Holdings Limited	Investment and asset management and holding the mining right and exploration and evaluation assets	50,000	-	38,000	-	20,750	-	(17,250)	-
0943	eForce Holdings Limited	Manufacture and sale of healthcare and household products, and coal mining	53,437	56,605	10,687	3,750	8,871	13,585	(1,816)	9,835
1130	China Environmental Resources Group Limited	Motor trading, car parking spaces rental, money lending business and securities trading and investment business	-	2,260	-	445	-	780	-	335
1166	Solartech International Holdings Limited	Manufacturing and trading of cable and wires, copper rods, metallurgical grade bauxite, holding of mining right and exploration and evaluation assets	36,740	69,000	46,292	37,183	3,637	57,270	(42,655)	20,087
6060	ZhongAn Online P&C Insurance Co., Ltd	Insurance underwriter, investment, and provision of information technology service	901	-	25,689	-	25,419	-	(270)	-
8103	hmvod Limited	Professional services, proprietary trading, money lending and OTT services	7,020	7,020	14,252	13,449	9,828	7,933	(4,424)	(5,516)
8153	Code Agriculture (Holdings) Limited	Provision of digital television services, car beauty services, money lending and securities investments	-	60,185	-	17,483	-	6,620	-	(10,863)
8202	Inno-Tech Holdings Limited	Buses and bus stations advertising business in the People's Republic of China	35,592	37,662	7,047	30,918	2,705	7,871	(4,342)	(23,047)
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	-	2,840	-	633	-	1,022	-	389
					<b>141,967</b>	<b>107,409</b>	<b>71,210</b>	<b>98,731</b>	<b>(70,757)</b>	<b>(8,678)</b>

Note: Investment cost represents the 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 the 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 nine months ended 31 March 2018 excluded those amounts being recognized in prior periods.

Details of the listed securities disposed of are as follows:

Stock code	Name of the investee company	Nine months ended 31 March 2019		Nine months ended 31 March 2018	
		Number of shares disposed of '000	Gain/(loss) on disposal HK\$'000	Number of shares disposed of '000	Gain/(loss) on disposal HK\$'000
0279	Freeman Fintech Corporation Limited	-	-	100,000	(2,000)
0530	Goldin Financial Holdings Limited	-	-	6,056	1,748
0943	eForce Holdings Limited	3,168	(270)	-	-
1116	Mayer Holdings Limited	6,000	(355)	-	-
1166	Solartech International Holdings Limited	29,760	(35,518)	25,720	5,172
2112	CAA Resources Limited	-	-	1,700	18
6060	ZhongAn Online P&C Insurance Co., Ltd	286	503	-	-
8103	hmvod Limited	-	-	1,500	(90)
8153	Code Agriculture (Holdings) Limited	60,185	(4,089)	10,120	(824)
8202	Inno-Tech Holdings Limited	13,530	(490)	14,200	(9,248)
8228	National Arts Entertainment and Culture Group Limited	2,840	(84)	1,360	(12)
8356	CNC Holdings Limited	-	-	19,900	(781)
			<b>(40,303)</b>		<b>(6,017)</b>

### 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 a negative impact on the property market. The property market in PRC is correlated to the regulations implemented by the government. Under this backdrop, the Group adopted a more cautious attitude. 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.

### Financial Review

#### Turnover

The Group posted an unaudited consolidated turnover of approximately HK\$36.6 million for the nine months ended 31 March 2019 (the nine months ended 31 March 2018: approximately HK\$135.5 million), representing a decrease of approximately HK\$98.9 million or approximately 73.0% as compared to the nine months ended 31 March 2018. The decrease in turnover was primarily attributable to the decrease in the volume of business traded under the securities investment and trading segments.

## **Gross profit**

For the nine months ended 31 March 2019, the Group posted a gross profit approximately of approximately HK\$11.2 million (the nine months ended 31 March 2018: approximately HK\$10.4 million), representing an increase of approximately HK\$0.8 million as compared to the nine months ended 31 March 2018. The increase is mainly attributable to the dividend income from listed securities.

## **Other income**

Other income has increased substantially by approximately HK\$9.1 million from approximately HK\$2.4 million for the nine months ended 31 March 2018 to approximately HK\$11.5 million for the nine months ended 31 March 2019. The increase is mainly attributable to the compensation income on profit guarantee of approximately HK\$5.0 million (for the nine months ended 31 March 2018: nil) and the distribution from a former subsidiary of approximately HK\$5.0 million (for the nine months ended 31 March 2018: nil).

## **Administrative and operating expenses**

Administrative and operating expenses for the nine months ended 31 March 2019 were approximately HK\$16.6 million, as compared to approximately HK\$44.4 million for the nine months ended 31 March 2018. Administrative expenses mainly consist of staff costs, depreciation, operating lease rentals for office, legal and professional fees and others. The Group will continue to adopt the stringent cost controls in the forthcoming periods.

## **Other operating expenses**

Other operating expenses has increased by approximately HK\$85.0 million from approximately HK\$52.4 million for the nine months ended 31 March 2018 to approximately HK\$137.4 million for the nine months ended 31 March 2019, it is mainly attributable to fair value loss on financial assets at fair value through profit or loss of approximately HK\$70.8 million (the nine months ended 31 March 2018: approximately HK\$8.7 million) and loss on disposal of financial assets at fair value through profit or loss of approximately HK\$40.3 million (the nine months ended 31 March 2018: approximately HK\$6.0 million).

## **Share of loss of an associate**

Share of loss of an associate represents share of results of the Group's 49% interest in Baron's School of Music Limited ("Baron"), which was acquired in August 2012. For the nine month ended 31 March 2019, no share of loss of an associate was incurred (for the nine months ended 31 March 2018: approximately HK\$0.9 million) as the investment in an associate was fully impaired as at 30 June 2018 and Baron still kept making 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 31 March 2019, 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 in which interests are held	Number of issued ordinary shares held	Approximate percentage of shareholdings
Mr. Ng Kwok Wing Michael ("Mr. Ng")	Interest of controlled corporation	991,689,459 (Note)	64.66%

Note: 991,689,459 shares of the Company are held by Nieumarkt Investments Ltd, a company incorporated in the Republic of Marshall Islands, which is wholly-owned by Mr. Ng, the Chairman of the Company. Mr. Ng is deemed to be interested in such shares under 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 to 5.67 of the GEM Listing Rules as at 31 March 2019.

### SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at the annual general meeting held on 20 November 2012, a new share 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 nine months period ended 31 March 2019, and there was no share option outstanding as at 31 March 2019.

## DIRECTOR'S RIGHTS TO PURCHASE SHARES OR DEBENTURES

Save as disclosed in the above "SHARE OPTION SCHEME", at no time during the nine months ended 31 March 2019 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 nine months period ended 31 March 2019.

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

As at 31 March 2019, other than the Directors or chief executives of the Company, whose interests are set out hereinabove, so far as is known to the Directors and the chief executives of the Company, the interest and short position 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 interest 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, the Chairman of the Company.

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

During the nine months ended 31 March 2019, 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 nine months ended 31 March 2019 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**  
譽滿國際(控股)有限公司  
**Ng Kwok Wing Michael**  
*Chairman*

Hong Kong, 3 May 2019

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](http://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](http://www.ciholdings.com.hk).*