* For identification purpose only

協盛協豐控股有限公司*

CO-PROSPERITY HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 707

CONTENTS

MANAGEMENT DISCUSSION AND ANALYSIS

For the six months ended 30 June 2017 (the "Period"), Co-Prosperity Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group") engaged in four major business streams including (i) processing, printing and sales of finished fabrics and subcontracting services and the trading of fabric and clothing business ("Fabrics and Trading Business"); (ii) financial services business; (iii) securities investment and broker service business; and (iv) media, cultural and entertainment business.

OPERATIONAL REVIEW

Fabrics and Trading Business

The revenue generated from the Fabrics and Trading Business declined by 23.2% to approximately Renminbi ("RMB") 65.1 million during the Period (2016: RMB84.8 million). The segment gross profit ratio also decreased to 8% (2016: 12%). The decrease in revenue and segment gross profit were primarily due to the fact that (i) the Group was unable to pass on all the increased costs (such as labour costs and stringent environmental protection requirements) to customers owing to fierce competition and the average selling price of the fabric reduced; (ii) most of the production cost of fabric increased dramatically including the cotton price and yarn price showed an upward trend during the Period; (iii) the economy of the People's Republic of China (the "PRC") remained challenging due to the slowdown of economic growth in the PRC, driven by the structural adjustment in the domestic economy and structural reform on the supply side. Besides, operating environment was unfavourable owing to the volatile global economy and weak demand from customers. As a result, the overall outlook of the Fabrics and Trading Business remains rather challenging.

Financial Services Business

The financial services business is conducted through Rende Finance Limited ("Rende"), an indirect wholly-owned subsidiary of the Company. Rende is a licensed money lender in Hong Kong under the Money Lenders Ordinance. The financial services business has stepped into a stable development and the Group will continue to develop this segment as it will generate stable interest income for the Group.

At the reporting date, Rende has maintained a loan portfolio of approximately RMB66.8 million (31 December 2016: RMB138.8 million) with interest rates ranging from 10% to 36% per annum (31 December 2016: 8% to 24%). For the Period, the Group recorded a gross interest income from the loan portfolio of approximately RMB4.5 million (2016: RMB15.3 million). The significant decrease in interest income during the Period was due to a large portion of loan approximately RMB261.1 million was granted to Star Platinum Enterprises Limited ("Star Platinum") at 30 June 2016 and Star Platinum was still an independent third party of the Group which contributed a large portion of interest income to the Group in last period. On 29 July 2016, Rende exercised its right over the share charge against 99% shareholding, of Star Platinum. As such, Star Platinum became a direct wholly-owned subsidiary of Rende as a result of the default of interest payment by Star Platinum and its guarantor. For details, please refer to the Company's announcement dated 29 July 2016.

Securities Investment and Broker Service Business

As at 30 June 2017, the Group managed a portfolio of securities totally approximately RMB345.7 million (31 December 2016: RMB201.4 million). It consists of a portfolio of listed securities trading in the Stock Exchange of Hong Kong (the "Stock Exchange"), issued shares of Yong Tai Berhad ("Yong Tai") trading in Bursa Malaysia Securities Berhad and unlisted investment fund namely Tiger Capital Fund SPC Tiger Global SP ("Tiger Fund"). During the Period, the Group recorded a realised gain and unrealised gain from the portfolio of securities of approximately RMB8.4 million and RMB26.9 million respectively (2016: realised gain of RMB0.1 million and unrealised loss of RMB13.4 million respectively).

For the investment in securities listed in Hong Kong with fair value of approximately RMB4.7 million as at 30 June 2017 (totally approximately 0.34% of the total assets of the Group as at 30 June 2017), the Group has disposed of certain securities listed in Hong Kong to realise a fair value gain of RMB8.4 million (2016: RMB0.1 million). During the Period, the Group had recorded less than RMB6,000 of unrealised fair value gain for these investment in securities (2016: unrealised loss of RMB13.4 million).

For the investment in Yong Tai with fair value of approximately RMB234.8 million as at 30 June 2017 (totally approximately 16.7% of the total assets of the Group as at 30 June 2017), the Group had recorded an unrealised fair value gain of approximately RMB50.3 million for these investment in securities (2016: nil).

For the investment in Tiger Fund with fair value of approximately RMB99.1 million as at 30 June 2017 (totally approximately 7.0% of the total assets of the Group as at 30 June 2017), the Group had recorded an unrealised fair value loss of approximately RMB24.4 million for these investment in securities (2016: nil).

Also, the revenue generated from the new securities broker service was approximately RMB2.9 million (2016: nil) since the completion of acquisition of Million Federal International Limited ("Million Federal") together with its subsidiary Sincere Securities Limited ("Sincere Securities") in March 2017. After the global market digested the uncertainty events, the return of cash flow to support capital market, the Group's overall securities investment business was satisfactory.

Media, Cultural and Entertainment Business

The Group has noticed the potential growth of media, cultural and entertainment sector and has commenced to look into related development opportunities. During the Period, the turnover of the entertainment and media business was RMB2.5 million (2016: nil). The Group got involved into the rescue and acquisition of Asia Television Limited ("ATV") and the directors of the Company (the "Directors") believe that the potential intrinsic value of ATV can be realised to expedite the Group's development and diversification into the media, cultural and entertainment business. Up to the present, ATV is still in the process of proposing the scheme of arrangement to the creditors of ATV and expected to be completed in the last quarter of 2017. The remaining major series of arrangements to complete the restructuring arrangement of ATV include (i) scheme of arrangement to be proposed to the creditors of ATV and approved by the Court; (ii) the Court granting the order to sanction the withdrawal of the winding-up petition against ATV; (iii) reorganisation of the board of directors of ATV; and (iv) ATV resumes normal operation under the management of its new board of directors.

Financial Review

The Group recorded an interim unaudited consolidated net profit of approximately RMB1.0 million for the Period, as compared to a net consolidated profit of approximately RMB3.1 million for the six months ended 30 June 2016, a decrease of approximately 67.7%.

The Group's turnover significantly declined by approximately 17.0% to RMB83.2 million. The decrease in turnover was mainly due to the overall decline of the Fabrics and Trading Business and the financial services business of RMB19.7 million and RMB10.8 million respectively as mentioned above, offset by the increase in turnover of securities investment business, the securities broker business and entertainment and media business totally RMB13.5 million.

The Group recorded a gross profit of approximately RMB23.4 million (2016: RMB26.1 million), representing a decrease by RMB2.7 million. However, the gross profit margin of the Group has resulted in moderate increase to 28.1% (2016: 25.9%) which is mainly contributed from the expanding of securities investment business and the new business of securities broker service with higher gross profit margin.

Other income was significantly dropped by 81% to approximately RMB0.3 million (2016: RMB1.6 million), as one-off payment of reversal of legal and professional fees of approximately RMB1.1 million was incurred in last period. The Group recorded other expenses, gains and losses of approximately RMB30.0 million (2016: net loss of RMB15.5 million), which mainly comprised of (i) unrealised gain of financial assets at fair value through profit or loss of approximately RMB26.9 million; and (ii) exchange gain of approximately RMB3.1 million.

The distribution and selling expenses decreased slightly by approximately 16.7% to approximately RMB1.5 million (2016: RMB1.8 million) which was in line with the shrinkage in turnover, while the administrative expenses stood at approximately RMB35.6 million, representing a significant increase of 117.1% as compared to the corresponding period (2016: RMB16.4 million) which was mainly due to the development of media and entertainment business involving the infrastructure design and development of OTT or Apps platforms. Finance costs increased by about 49% to approximately RMB15.1 million (2016: RMB10.1 million) as a result of the increase in interest expense arising from credit facilities from financial institution during the Period.

Business Development

Acquisition of Yong Tai

On 9 May 2017, Full Winning Developments Limited ("Full Winning"), a direct wholly-owned subsidiary of the Company, entered into an agreement with Impression Culture Asia Limited to acquire 24.56% of the entire issued share capital of Yong Tai, a company listed on the Main Market of Bursa Malaysia Securities Berhad, at the consideration of approximately Malaysian Ringgit ("RM")117,700,000. The acquisition was completed on 24 May 2017.

On 2 August 2017, Full Winning entered into a subscription agreement with Yong Tai to further subscribe for 43 million new shares of Yong Tai at the issue price of RM1.26. The subscription has not been completed. Upon the completion of the subscription, the Group will be interested in 31.34% of the share capital of Yong Tai.

Acquisition of Sincere Securities

On 23 May 2016, Co-Prosperity Investment (International) Limited, an indirect wholly-owned subsidiary of the Company entered into a sale and purchase agreement with Sincere Finance Holding Limited to acquire 60% of the entire issued share capital of Million Federal and its subsidiaries at the consideration of approximately RMB77.1 million (HK$90 million). Sincere Securities, a wholly-owned subsidiary of Million Federal, is licensed to carry out type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities. The acquisition was completed on 15 March 2017.

Discontinue Possible Acquisition – Star Gaze Entertainment Group Limited

On 4 November 2016, the Group has entered into a sale and purchase agreement with Star Raise Holdings Limited and a guarantor in connection with the proposed acquisition of the 10% issued share capital of Star Gaze Entertainment Group Limited at the consideration of HK$30,000,000. A deposit of HK$10,000,000 has been paid by the Group. However, upon review of the due diligence reports conducted by our legal advisor and auditor and after further consideration, the Company has decided to discontinue this acquisition. The Group has made a request to the vendor for the deposit refund during the Period.

Discontinue Possible Acquisition – Century Galaxy International Limited

On 25 June 2016, the Group has entered into a memorandum of understanding with Century Galaxy Holdings Plc in respect of a proposed acquisition of 20% of the entire issued share capital of Century Galaxy International Ltd. However, upon further consideration, the Company has decided to discontinue this acquisition. A letter of cancellation has been made by the Group during the Period.

Market Outlook and Future Prospects

Momentum of the global economy starting to firm up during the first half of 2017, with trade and manufacturing picking up and stabilising commodity prices are supporting growth in the emerging markets. The influence of global and the PRC economy and stock markets on Hong Kong's capital market continue to grow. The growth of gross domestic product in the PRC rose 6.9% year on year, well above the market forecast. The PRC has been running stably by putting forward structural adjustment and changes in development mode, and has obtained advancement in protection and improvement in people's livelihood. In addition, it is believed that the economy in the United States of America (the "USA") is on the right path for recovery and there were additional several times of interest rate hike in 2017.

On the other side, the recovery of global economy was hindered by various factors, including continuing downtrend of Renminbi, the declining foreign exchange reserves of the PRC, high unemployment in developed countries, the Euro zone crisis, the instability condition in middle Asian countries, etc. Under such economic circumstance, the operating environment of the Fabrics and Trading Business faced by the Group is expected to remain very challenging. Nevertheless, the Group will continue to adhere to its proactive operating style to improve its competitive advantage, enhance profit margin and create value to its customers.

After launching the Shenzhen – Hong Kong Stock Connect during December 2016, Hong Kong has offered new opportunity to the foreign firms accessing the PRC capital markets, especially the protection policy in the USA and the capital controls to stem outflows in the PRC recently. As long as the Group is able to grasp the right timing to make the investment decision, it is optimistic to enjoy satisfactory performance from the capital market and the expansion in the securities brokerage and asset management business along with the acquisition of Sincere Securities.

With the dramatic changes and the remarkable growth in media and entertainment market in Hong Kong and the PRC recently, the Group has coped with such changes and involved in the acquisition of ATV. Being a major part of the media, cultural and entertainment business plan of the Group, the Group has expanded its management team and recruited talents in the media and entertainment industry and the team has been continuously exploring various means of development to enhance the performance.

Regarding the financial services business, it has grown rapidly and the Group will continue to adhere to its stringent credit policies and monitor the loan portfolio in order to mitigate credit risk.

In light of the global economic trend and fierce competition in the market, the Group has continuously reviewed its business strategy and development plan, expand its income source and improve its operating performance of the Group. We are confident and optimistic about the Group's prospect.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2017, the Group had total assets of approximately RMB1,408.5 million (31 December 2016: RMB1,199.4 million) which were financed by total liabilities and shareholders' equity excluding non-controlling interests of approximately RMB565.2 million and RMB804.1 million respectively (31 December 2016: RMB509.7 million and RMB689.7 million respectively).

As at 30 June 2017, the Group's cash and bank balances was approximately RMB99.1 million (31 December 2016: RMB27.8 million), while pledged bank deposits amounted to approximately RMB28.9 million (31 December 2016: RMB38.4 million). As at 30 June 2017, short-term bank loans were fixed-rate loans and denominated in RMB whereas short-term loans from other financial institution and other borrowing were fixed-rate loan and denominated in Hong Kong dollar. The Group's borrowings were secured by land use rights, certain property, plant and equipment, certain listed securities, pledged bank deposits of the Group and personal guaranteed from related parties as disclosed in note 16 to the unaudited interim condensed consolidated financial statements.

The Group strives to maintain a healthy liquidity position by adopting a conservative approach in its financial management. The current ratio, being a ratio of total current assets to total current liabilities, was approximately 1.7 (31 December 2016: 1.4). The gearing ratio, being a ratio of borrowings (comprising obligations under finance leases, bond payables, other borrowing, short-term bank loans, short-term loans from other financial institution and convertible bonds) to shareholders' equity, was approximately 53.2% (31 December 2016: 34.6%).

CAPITAL STRUCTURE

As at 30 June 2017, 4,783,104,000 ordinary shares of the Company (the "Share(s)") were issued and fully paid.

Placing of shares under general mandates

On 9 March 2017, the Company allotted and issued 797,184,000 ordinary shares at a price of HK$0.20 to not less than six investors (the "First Share Placing"). The net proceeds of approximately HK$155.22 million were received by the Company which were utilised for (i) HK$82 million was utilised for the settlement of a promissory note regarding the Million Federal Acquisition; (ii) HK$65 million was utilised for the development of OTT or apps platforms which involves infrastructure design and development, OTT solutions, technology support, software licensing, cloud computing, content delivery network and set-top box production; (iii) HK$4.22 million was utilised for general working capital; and (iv) HK$4 million is maintained at bank and will be used as intended.

As a result of the abovementioned First Share Placing, 797,184,000 new ordinary shares were issued by the Company during the Period, representing 16.67% of the enlarged share capital of the Company as at 30 June 2017.

Details of the First Share Placing were set out in note 18 to the unaudited interim condensed consolidated financial statements, the Company's announcements dated 16 February 2017 and 9 March 2017. The First Share Placing was completed on 9 March 2017.

On 24 July 2017, the Company allotted and issued 956,620,000 ordinary shares at a price of HK$0.25 to not less than six investors (the "Second Share Placing"). The net proceeds of approximately HK$232.95 million were received by the Company which were intended to be utilised for (i) approximately HK$112.95 million for the development of media and entertainment business involving the infrastructure design and development of OTT or Apps platforms, OTT solutions and technology support, software licensing, cloud computing and content delivery network; (ii) approximately HK$40 million for the money lending and securities trading business; and (iii) approximately HK$80 million for the general working capital of the Group; or for financing any investment opportunities as may be identified from time to time.

Details of the Second Share Placing were set out in note 23 "Events after the Reporting Period" to the unaudited interim condensed consolidated financial statements, the Company's announcements dated 30 June 2017 and 24 July 2017. The Second Share Placing was completed on 24 July 2017.

Conversion of convertible bonds

On 14 August 2017, the convertible bonds in the principal amount of HK$30,800,000 has been converted, pursuant to which a total number of 140,000,000 new Shares from conversion ("Conversion Shares") have been allotted and issued to the convertible bonds holder, who served a conversion notice to the Company for the conversion.

The issued share capital of the Company will be increased to 5,879,724,000 Shares upon allotment and issue of the Conversion Shares and the Conversion Shares represent approximately 2.44% of the issued capital of the Company before the allotment and issue of the Conversion Shares and approximately 2.38% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares.

Details of the conversion of convertible bonds were set out in note 23 "Events after the Reporting Period" to the unaudited interim condensed consolidated financial statements, the Company's announcements dated 9 March 2016, 8 April 2016, 15 April 2016 and 14 August 2017 and the circular of the Company dated 22 February 2016.

CHARGES ON ASSETS

As at 30 June 2017, the Group's borrowings were secured by assets with a total carrying value of approximately RMB151.0 million (31 December 2016: RMB165.7 million).

CAPITAL COMMITMENTS

As at 30 June 2017, except for disclosure elsewhere, the Group did not have any capital commitments (31 December 2016: nil).

CONTINGENT LIABILITIES

As at 30 June 2017, the Group had contingent liabilities of approximately RMB80 million (31 December 2016: RMB80 million) in respect of corporate guarantees given to a bank for short-term bank borrowings granted to Shasing-Shapheng (Quanzhou) Textile Industrial Co., Ltd., a former indirect wholly-owned subsidiary of the Company.

EXCHANGE RISK EXPOSURE

The Group's business transactions were mainly denominated in RMB and Hong Kong dollar. The Group currently does not have any established hedging policies in place. Management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure by using appropriate financial instruments and adopting appropriate hedging policies to control the risks, when the need arises. The Group was not engaged in any hedging contracts with respect to the foreign exchange risks.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2017, the Group had about 750 employees in PRC and Hong Kong (31 December 2016: 750 employees). Remuneration packages for the employees are maintained at a competitive level within the jurisdiction where the employees are employed for attraction, retainment and motivation. Remuneration packages will be reviewed periodically. In addition, the Group maintains a share option scheme for the purpose of providing incentives and rewards to the eligible participants for their contribution to the Group.

DISCLOSURE OF ADDITIONAL INFORMATION

INTERIM DIVIDEND

The Board resolved not to declare an interim dividend for the Period (2016: nil).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2017, none of the Directors and chief executive of the Company or their associates had any interests and/or short positions in the Share(s), the underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), 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 Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2017, to the best knowledge and information of the Company, the following persons (other than Directors or chief executive of the Company) had, or were deemed or taken to have interests and/or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange pursuant to Part XV of the SFO:

Name of shareholders	Capacity	Number of Shares/underlying Shares held	Issued share capital of the Company (%)
Deng Jun Jie	Interest of controlled corporation	1,335,388,000 (L) *(Note 1)*	27.92
Honghu Capital Co. Ltd *(Note 2)*	Beneficial owner	1,335,388,000 (L)	27.92
KKC Capital Limited *(Note 3)*	Investment Manager	303,000,000 (L)	6.33
Chiu Wai Lap *(Note 3)*	Investment Manager	303,000,000 (L)	6.33
Avia Asset Management Limited *(Note 3)*	Investment Manager	303,000,000 (L)	6.33
KKC Capital SPC – KKC Capital High Growth Fund Segregated Portfolio ("KKC Capital SPC") *(Note 4)*	Beneficial owner	303,000,000 (L)	6.33

Notes:

1. The letters "L" and "S" denote long position and short position in the shares of the Company respectively.

2. Honghu Capital Co. Ltd is wholly-owned and beneficially owned by Mr. Deng Jun Jie.

3. KKC Capital Limited, Mr. Chiu Wai Lap and Avia Asset Management Limited are the investment managers of KKC Capital SPC and were therefore deemed to have an interest in the shares in which KKC Capital SPC was invested.

4. The number of Shares and underlying Shares held, including 140,000,000 underlying Shares at a conversion price of HK$0.22 per conversion share (pursuant to the terms and conditions CB Placing Agreements) in respect of the convertible bonds issued by the Company to KKC Capital SPC.

NEW SHARE OPTION SCHEME

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who work for the interests of the Group.

A new share option scheme (the "New Share Option Scheme") was adopted at the annual general meeting of the Company (the "AGM") on 15 June 2016. The New Share Option Scheme became valid and effective for a period of ten years commencing from the date of the AGM. Directors are authorised to grant options and to allot, issue and deal in the Shares pursuant to the exercise of any options granted and to take all such steps as they may consider necessary or expedient to implement the New Share Option Scheme. There was no change in any terms of the New Share Option Scheme during the Period. No share options were granted, cancelled or lapsed during the Period, and no outstanding share options throughout the Period.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the Period was the Company or any of its subsidiaries a party to any arrangement to enable the Director or the chief executive of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, and neither the Director nor the chief executive, nor any of their spouses or children under the age of 18, had any rights to subscribe for the securities of the Company, or any had exercised any such right.

PURCHASE, SALE OR REDEMPTION OF LISTING SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the Period.

DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE

No contract of significance, to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the Period.

CORPORATE GOVERNANCE

The Company has complied with the applicable code provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules during the Period, except as stated below. In respect of code provision A.6.7 of the Corporate Governance Code, Mr. Li Wenfeng, being a non-executive Director, and Ms. Han Xingxing and Mr. Li Yu, both being independent non-executive Directors were unable to attend the annual general meeting held on 2 June 2017 due to other commitments. The Company shall continue to communicate with the Directors and make best effort to ensure their availabilities to attend general meetings and avoid time conflict.

DIRECTORS' COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the Period and all Directors confirmed that they have fully complied with the required standard set out in the Model Code.

AUDIT COMMITTEE REVIEW

The Group's audit committee (the "Audit Committee") comprises three members, namely Mr. Li Yu, Ms. Han Xingxing and Mr. Cheung Ngai Lam, who are independent non-executive Directors. The chairman of the Audit Committee is Mr. Cheung Ngai Lam. The primary duties of the Audit Committee are, among others, to review the financial reporting system and internal control procedures of the Group, to make recommendations to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, and to review the financial information and accounting policies of the Group. This unaudited interim results including the accounting principles and practices adopted by the Group have been reviewed and approved by the Audit Committee.

CHANGES IN INFORMATION OF DIRECTORS

Pursuant to the disclosure requirement under Rule 13.51B of the Listing Rules, the changes in information of the Directors are as follows:

1. Mr. Cheung Ngai Lam has been appointed as an independent non-executive director, as well as a member of each of the audit committee, the remuneration committee, the nomination committee and the food quality and safety advisory committee of China Huishan Dairy Holdings Company Limited (Stock Code: 6863) with effect from 22 June 2017.

2. Mr. Law Kin Fat has been appointed as executive Director with effective 29 June 2017. He resigned as an executive director and the vice chairman of Leyou Technologies Holdings Limited (Stock Code: 1089) with effect from 30 June 2017. He has been appointed as a non-executive director of Yong Tai (Bursa Malaysia Securities Berhad, stock code: 7066） with effective 24 August 2017. The Group is currently interested in 24.56% of the share capital of Yong Tai.

Save for the above, there is no other change in information of the Directors during the Period.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available and within the knowledge of the Directors, it is confirmed that there is sufficient public float of the Company's issued shares i.e. more than 25 percent, as at the date of this interim report.

APPRECIATION

On behalf of the Board, I would like to express our appreciation to all our shareholders, employees, customers and suppliers for their continuing support.

On behalf of the Board
Co-Prosperity Holdings Limited
Tang Hong Kwo
Chairman

Hong Kong, 30 August 2017

The board (the "Board") of directors (the "Director(s)") of Co-Prosperity Holdings Limited (the "Company") is pleased to announce the unaudited interim condensed consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 June 2017 (the "Period") together with the comparative figures for the corresponding period in 2016 are as follow:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2017

		Six months ended 30 June	
		2017	2016
	NOTES	RMB'000	RMB'000
		(unaudited)	(unaudited)
Turnover	3	83,222	100,321
Cost of sales		(59,845)	(74,262)
Gross profit		23,377	26,059
Other income		344	1,611
Other expenses, gains and losses		30,011	(15,507)
Gain on disposals of subsidiaries	6	–	20,021
Distribution and selling expenses		(1,501)	(1,849)
Administrative and operating expenses		(35,601)	(16,413)
Finance costs	4	(15,138)	(10,107)
Profit before taxation	5	1,492	3,815
Taxation	7	(516)	(738)
Profit for the period		976	3,077

	NOTES	Six months ended 30 June 2017 RMB'000 (unaudited)	2016 RMB'000 (unaudited)
Other comprehensive (expense)/income			
– Items that will be reclassified subsequently to profit or loss:			
– exchange differences arising on translation		(25,324)	9,105
– release of translation reserve upon disposals of subsidiaries	6	–	(1,401)
Total comprehensive (expense)/income for the period		(24,348)	10,781
Profit for the period attributable to:			
Owners of the Company		795	3,077
Non-controlling interests		181	–
		976	3,077
Total comprehensive (expense)/income for the period attributable to:			
Owners of the Company		(23,807)	10,781
Non-controlling interests		(541)	–
		(24,348)	10,781
		RMB cents	RMB cents
Earnings per share	8		
– Basic and diluted		0.018	0.121

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	NOTES	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment	10	43,250	49,699
Prepaid lease payments		405	412
Deposits for other assets		2,033	–
Deposits for other investments	11	434,100	456,567
Deposits for investments in subsidiaries		–	7,162
Intangible assets	20	9,580	–
Goodwill	20	20,274	–
		509,642	513,840
CURRENT ASSETS			
Inventories		105,643	106,724
Trade and other receivables, deposits and prepayments	12	251,434	172,326
Loan receivables	13	66,764	138,817
Prepaid lease payments		14	14
Financial assets at fair value through profit or loss		345,760	201,422
Tax recoverable		1,204	–
Pledged bank deposits		28,920	38,420
Bank balances and cash		99,071	27,820
		898,810	685,543
CURRENT LIABILITIES			
Trade and other payables	14	133,370	266,843
Bond payables		64,197	63,710
Taxation payables		3,960	4,277
Obligations under finance leases	15	192	658
Other borrowing	16	48,619	–
Short-term bank loans	16	114,690	119,340
Short-term loans from other financial institutions	16	173,640	26,647
		538,668	481,475

	NOTES	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Net current assets		360,142	204,068
Total assets less current liabilities		869,784	717,908
NON-CURRENT LIABILITIES			
Obligations under finance leases	15	504	1,623
Convertible bonds	17	25,979	26,589
Deferred tax liabilities		62	–
		26,545	28,212
Net assets		843,239	689,696
CAPITAL AND RESERVES			
Share capital	18	422,557	351,608
Reserves		381,549	338,088
		804,106	689,696
Non-controlling interests		39,133	–
Total equity		843,239	689,696

The interim financial information on pages 17 to 53 was approved and authorised for issue by the Board of Directors on 30 August 2017 and are signed on its behalf by:

Tang Hong Kwo
CHAIRMAN

Law Kin Fat
EXECUTIVE DIRECTOR

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2017

	Attributable to equity shareholders of the Company									
	Share capital RMB'000	Share premium RMB'000	Special reserve RMB'000 Note (i)	Convertible bond equity reserve RMB'000	Translation reserve RMB'000	Statutory surplus reserve fund RMB'000 Note (ii)	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2017 (audited)	351,608	623,388	98,731	1,171	53,926	30,084	(469,212)	689,696	–	689,696
Profit for the period	–	–	–	–	–	–	795	795	181	976
Other comprehensive income for the period – Exchange differences arising on translation	–	–	–	–	(24,602)	–	–	(24,602)	(722)	(25,324)
Total comprehensive income for the period		–	–	–	(24,602)	–	795	(23,807)	(541)	(24,348)
Issue of shares under share placing (Note 18)	70,949	70,949	–	–	–	–	–	141,898	–	141,898
Transaction costs attributable to issue of placing shares	–	(3,681)	–	–	–	–	–	(3,681)	–	(3,681)
Transactions with shareholders	70,949	67,268	–	–		–	–	138,217	–	138,217
Acquisition of subsidiaries (Note 20)	–	–	–	–	–	–	–	–	39,674	39,674
At 30 June 2017 (unaudited)	422,557	690,656	98,731	1,171	29,324	30,084	(468,417)	804,106	39,133	843,239

	Attributable to equity shareholders of the Company									
	Share capital RMB'000	**Share premium** RMB'000	**Special reserve** RMB'000 Note (i)	**Convertible bond equity reserve** RMB'000	**Translation reserve** RMB'000	**Statutory surplus reserve fund** RMB'000 Note (ii)	**Accumulated losses** RMB'000	**Total** RMB'000	**Non-controlling interests** RMB'000	**Total equity** RMB'000
At 1 January 2016 (audited)	186,229	442,929	98,731	–	10,416	29,843	(498,168)	269,980	–	269,980
Profit for the period	–	–	–	–	–	–	3,077	3,077	–	3,077
Other comprehensive income for the period										
– Exchange differences arising on translation	–	–	–	–	9,105	–	–	9,105	–	9,105
– Release of translation Reserve upon disposals of subsidiaries	–	–	–	–	(1,401)	–	–	(1,401)	–	(1,401)
Total comprehensive income for the period	–	–	–	–	7,704	–	3,077	10,781	–	10,781
Issue of shares under share placing (Note 18)	50,076	50,076	–	–	–	–	–	100,152	–	100,152
Issue of shares under share subscription (Note 18)	25,038	25,038	–	–	–	–	–	50,076	–	50,076
Issue of convertible bonds (Note 17)	–	–	–	4,578	–	–	–	4,578	–	4,578
Issue of shares upon conversion of convertible bonds (Note 17)	29,003	34,877	–	(2,876)	–	–	–	61,004	–	61,004
	104,117	109,991	–	1,702	–	–	–	215,810	–	215,810
At 30 June 2016 (unaudited)	290,346	552,920	98,731	1,702	18,120	29,843	(495,091)	496,571	–	496,571

Notes:

(i) The special reserve represents the differences between the nominal amount of the shares issued by the Company and the Group's former holding company and the aggregate amount of paid-up capital of the subsidiaries acquired pursuant to the group reorganisation in 2005 in preparation for the listing of the Company's shares, net of subsequent distribution to shareholders.

(ii) As stipulated by the relevant laws and regulations for foreign investment enterprises in the People's Republic of China (the "PRC"), the Company's PRC subsidiaries are required to maintain a statutory surplus reserve fund which is non-distributable. Appropriation to such reserve is made out of net profit after taxation of the statutory financial statements of the PRC subsidiaries while the amounts and allocation basis are decided by their board of directors annually. The statutory surplus reserve fund can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of a capitalisation issue.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2017

	Six months ended 30 June	
	2017	2016
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net cash used in operating activities	(274,923)	(321,230)
Net cash generated from investing activities	46,645	25,517
Net cash generated from financing activities	311,414	242,325
Net increase/(decrease) in cash and cash equivalents	83,136	(53,388)
Cash and cash equivalents at 1 January	27,820	76,196
Effect of foreign exchange rate changes	(11,885)	1,042
Cash and cash equivalents at 30 June	99,071	23,850
Analysis of the balance of cash and cash equivalents		
Bank balances and cash	99,071	23,850

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2017

1. GENERAL

The Company was incorporated and registered as an exempted company with limited liability under the Companies Law of the Cayman Islands and acts as an investment holding company. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The unaudited interim condensed consolidated financial statements (the "Interim Financial Statements") are presented in Renminbi ("RMB").

2. PRINCIPAL ACCOUNTING POLICIES

The Interim Financial Statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (the "Listing Rules") of the Stock Exchange and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The Interim Financial Statements should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2016 (the "Annual Report").

The Interim Financial Statements has been prepared under the historical cost basis, except for financial assets at fair value through profit or loss, which are measured at fair value. The principal accounting policies adopted in the Interim Financial Statements are consistent with those followed in the preparation of the Annual Report, except for the adoption of the new or revised standards, amendments and interpretations (hereinafter collectively referred to as "new HKFRSs") issued by the HKICPA which are mandatory for annual period beginning on 1 January 2017 and relevant to the operations of the Group. The adoption of these new HKFRSs had no material effect to the Group's financial performance and financial position for the current and prior accounting periods.

The Group has not early applied any new HKFRSs that have been issued but are not yet effective. The Group is in the process of assessing the impact of such new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on the Group's financial performance and financial position.

The Interim Financial Statements have not been audited.

3. SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following six reportable segments. No operating segments have been aggregated to form the following reportable segments.

– Processing, printing and sales of finished fabrics and subcontracting services;

– Trading of fabrics and clothing;

– Money lending;

– Securities investment;

– Media, cultural and entertainment; and

– Securities broker services and margin finance.

(i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all non-current assets and current assets attributable to the activities of the individual segments. Segment liabilities include trade and other payables attributable to the activities of the individual segments, other borrowing and short-term loans managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Information regarding the Group's reportable segments as provided to the Group's senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2017 and 2016 are set out below.

3. SEGMENT INFORMATION – continued

(i) Segment results, assets and liabilities – continued

Six months ended 30 June 2017 (unaudited)

	Processing, printing and sales of finished fabrics – PRC RMB'000	Trading of fabrics and clothing – Hong Kong RMB'000	Money lending – Hong Kong RMB'000	Securities investment – Hong Kong RMB'000	Entertainment and media – Hong Kong RMB'000	Securities broker services and margin finance – Hong Kong RMB'000	Unallocated corporate office RMB'000	Elimination RMB'000	Total RMB'000
Revenue from external customers	63,945	1,207	4,463	8,455	2,240	2,912	–	–	83,222
Revenue from inter-segment	–	–	–	–	334	–	4,421	(4,755)	–
Reportable segment revenue	63,945	1,207	4,463	8,455	2,574	2,912	4,421	(4,755)	83,222
Reportable segment profit/(loss) (adjusted EBITDA)	1,505	(102)	4,442	34,117	(8,565)	496	(12,915)	–	18,978
Depreciation and amortisation for the period	(1,735)	(4)	–	–	(32)	(43)	(534)	–	(2,348)
Finance costs	(2,978)	–	(4,421)	(757)	(389)	–	(11,014)	4,421	(15,138)
Profit before taxation									1,492

At 30 June 2017 (unaudited)

	Processing, printing and sales of finished fabrics – PRC RMB'000	Trading of fabrics and clothing – Hong Kong RMB'000	Money lending – Hong Kong RMB'000	Securities investment – Hong Kong RMB'000	Entertainment and media – Hong Kong RMB'000	Securities broker services and margin finance – Hong Kong RMB'000	Unallocated corporate office RMB'000	Elimination RMB'000	Total RMB'000
Reportable segment assets	238,457	921	322,270	428,169	540,035	183,979	849,438	(1,154,817)	1,408,452
Additions to non-current segment assets during the period	7	4	–	–	95	–	29	–	135
Reportable segment liabilities	170,379	4,004	342,626	135	549	65,872	324,274	(342,626)	565,213

3. SEGMENT INFORMATION – continued

(i) Segment results, assets and liabilities – continued

	Processing, printing and sales of finished fabrics – PRC RMB'000	Trading of fabrics and clothing – Hong Kong RMB'000	Money lending – Hong Kong RMB'000	Securities investment – Hong Kong RMB'000	Entertainment and media – Hong Kong RMB'000	Securities broker services and margin finance – Hong Kong RMB'000	Unallocated corporate office RMB'000	Elimination RMB'000	Total RMB'000
	Six months ended 30 June 2016 (unaudited)								
Revenue from external customers	84,347	520	15,346	108	–	–	–	–	100,321
Revenue from inter-segment	–	–	–	–	–	–	14,493	(14,493)	–
Reportable segment revenue	84,347	520	15,346	108	–	–	14,493	(14,493)	100,321
Reportable segment profit/(loss) (adjusted EBITDA)	8,342	158	10,398	(13,667)	–	–	10,921	–	16,152
Depreciation and amortisation for the period	(2,033)	(6)	–	–	–	–	(191)	–	(2,230)
Finance costs	(3,752)	–	(12,959)	(466)	–	–	(5,889)	12,959	(10,107)
Profit before taxation									3,815
	At 31 December 2016 (audited)								
Reportable segment assets	252,664	2,064	394,389	249,292	518,365	–	431,359	(648,750)	1,199,383
Additions to non-current segment assets during the year	574	74	–	–	–	–	4,492	–	5,140
Reportable segment liabilities	180,994	5,126	393,157	26,650	197,503	–	99,414	(393,157)	509,687

3. SEGMENT INFORMATION – continued

(ii) Geographical information

The following table sets out information about the geographical location of (i) the Group's revenue from external customers; and (ii) the Group's property, plant and equipment, prepaid lease payments, intangible assets and goodwill (the "Specified Non-current Assets"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the Specified Non-current Assets is based on the physical location of the asset, in the case of property, plant and equipment, the location of the operation to which they are allocated.

	Turnover		Non-current assets	
			At	At
	Six months ended 30 June		30 June	31 December
	2017	2016	2017	2016
	RMB'000	RMB'000	RMB'000	RMB'000
	(unaudited)	(unaudited)	(unaudited)	(audited)
PRC	63,945	84,347	41,493	46,191
Hong Kong and overseas	19,277	15,974	32,016	3,920
	83,222	100,321	73,509	50,111

Information about major customers

There are no customers who individually contribute over 10% of the total sales of the Group.

4. FINANCE COSTS

	Six months ended 30 June	
	2017	2016
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interests on bank and other borrowings		
wholly repayable within five years		
– bank borrowings	2,978	3,722
– other secured loans	757	496
– other unsecured loans	4,084	–
	7,819	4,218
Effective interest expense on bond payables	2,455	4,393
Effective interest expense on convertible bonds	1,277	1,468
Interest expense on finance leases	50	28
Other finance costs	3,537	–
	15,138	10,107

5. PROFIT BEFORE TAXATION

	Six months ended 30 June	
	2017	2016
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Profit before taxation was arrived at after charging/(crediting):		
Cost of inventories recognised as expenses	59,695	74,262
Depreciation on property, plant and equipment	2,316	2,229
Operating lease rentals in respect of prepaid lease payments	3,125	1,221
Net (gain)/loss on securities investment:		
– disposed of during the period	(8,455)	(108)
– held at the end of the period	(26,993)	13,423
Written-off of interest receivables	–	4,908

6. DISPOSAL OF SUBSIDIARIES

(a) Gain on disposal of Shifen Development Limited ("Shifen")

On 16 December 2015, the Group entered into an agreement with an independent third party (the "Purchaser") pursuant to which the Group conditionally agreed to sell, and the Purchaser conditionally agreed to acquire the entire issued share capital of Shifen and its subsidiary, 深圳前海世眾融資租賃有限公司 (collectively referred to as the "Shifen Group") and a loan, being the entire amount of the shareholder's loan owing by Shifen to the Company, at a total consideration of HK$2,100,000 (equivalent to RMB1,767,000 approximately).

The disposal was completed on 15 January 2016. The assets and liabilities of the Shifen Group at disposal date are disclosed as below:

	RMB'000 (unaudited)
Net assets disposed of:	
Goodwill	1,576
Shareholder's loan	(3)
	1,573
Shareholder's loan receivables disposed of	3
Gain on disposal of subsidiaries	191
Satisfied by:	
Cash	1,767

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of Shifen Group is as follows:

	RMB'000 (unaudited)
Cash consideration	1,767
Cash and bank balances disposed of	–
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	1,767

6. **DISPOSAL OF SUBSIDIARIES – continued**

(b) **Gain on disposal of Competent Faith Limited ("Competent Faith")**

On 25 January 2016, a direct wholly-owned subsidiary of the Company entered into a sale and purchase agreement with an independent third party to disposal of the entire issued share capital of Competent Faith and shareholders' loan due from Competent Faith at the consideration of HK$30,000,000 (equivalent to RMB25,248,000 approximately). The transaction was completed on 21 March 2016. The assets and liabilities of Competent Faith at disposal date are disclosed as below:

	RMB'000 (unaudited)
Net assets disposed of:	
Property, plant and equipment	6,913
Deposits paid	6
Other payables	(100)
Shareholders' loan	(5,819)
	1,000
Reclassification of cumulative exchange difference from translation reserve to profit or loss	(1,401)
Shareholders' loan receivables disposed of	5,819
Gain on disposal of a subsidiary	19,830
Satisfied by:	
Cash	25,248

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of Competent Faith is as follows:

	RMB'000 (unaudited)
Cash consideration	25,248
Cash and bank balances disposed of	–
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	25,248

7. TAXATION

The charge represents the PRC income tax calculated at the rates prevailing in the PRC jurisdiction. Hong Kong Profits Tax is calculated at 16.5% (2016: 16.5%) to the estimated assessable profit for the Period. No provision for Hong Kong Profits Tax has been made in the Interim Financial Statements as the Group's operations in Hong Kong had no assessable profit for the Period.

At the end of the Period, the Group has deductible temporary differences of approximately RMB266,938,000 (31 December 2016: RMB266,669,000). No deferred tax asset has been recognised in relation to deductible temporary difference because it is not probable that taxable profit will be available against which the deductible temporary difference can be utilised.

Under the Enterprise Income Tax Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the Interim Financial Statements in respect of temporary differences attributable to retained profits of the relevant PRC subsidiaries amounting to approximately RMB132,319,000 (31 December 2016: RMB130,553,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

8. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2017 RMB'000 (unaudited)	2016 RMB'000 (unaudited)
Earnings attributable to the owners of the Company		
Earnings for the purpose of basic and diluted earnings per share	795	3,077

8. EARNINGS PER SHARE – continued

	Six months ended 30 June	
	2017 (unaudited)	2016 (unaudited)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	4,488,013,790	2,542,317,560

There are no dilutive effects on the conversion of convertible bonds as they are anti-dilutive for both periods.

9. DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (2016: Nil).

10. PROPERTY, PLANT AND EQUIPMENT

During the Period, the Group incurred approximately RMB135,000 (2016: RMB4,526,000) on additions to property, plant and equipment.

As at 30 June 2017, the Group's leasehold land and buildings with aggregate carrying values of approximately RMB21,167,000 (31 December 2016: RMB23,148,000) were pledged to certain banks to secure credit facilities granted to the Group. The Group's motor vehicles held under finance leases were secured with a net carrying amount of approximately RMB761,000 (31 December 2016: 2,679,000).

11. DEPOSITS FOR OTHER INVESTMENTS

(i) As at 30 June 2017 and 31 December 2016, the balance represents deposit of HK$500,000,000 (equivalent to approximately RMB434,100,000 and RMB447,615,000 respectively) paid or payable by the Group for the acquisition of Asia Television Limited ("ATV") including the 52.42% of the entire issued share capital of ATV and aggregate amount of approximately HK$2 billion debts and its consequential interest paid to ATV's vendors (the "Acquisition").

Pursuant to the Order of the High Court of Hong Kong (the "Court") on 24 April 2017, the joint and several provisional liquidators of ATV (the "Provisional Liquidators") was discharged by the Court on 24 April 2017. The petitioner and the Provisional Liquidators were released but the winding-up petition against ATV is still valid and the scheme of arrangement is in the progress. To obtain the control and operation of ATV, which is subject to completion of a series arrangement (i) scheme of arrangement to be approved by the creditors and the Court; (ii) the Court granting the order to sanction the withdrawal of the winding-up petition against ATV; and (iii) ATV resumes normal operation under the management of its new board of directors. The Group does not have sufficient power and exposure or rights to control ATV during the Period, and thus ATV will not be treated as subsidiary of the Group and consolidated into the Group during the Period. As a result, the Group considered its equity interests in ATV should be classified as other investment.

Details of the Acquisition are set out in the circular of the Company dated 19 December 2016 and the announcements of the Company dated 23 September 2016, 17 October 2016, 11 November 2016, 14 November 2016 and 16 May 2017.

(ii) On 4 November 2016, the Group had entered into a sale and purchase agreement (the "Agreement") with Star Raise Holdings Limited ("Star Raise") and a guarantor, pursuant to which Star Raise has conditionally agreed to sell and transfer and the Group agreed to acquire and accept, 10% of the issued share capital of Star Gaze Entertainment Group Limited ("Star Gaze") at a consideration of HK$30,000,000, which will be satisfied by cash, together with a call option granted by Star Raise to acquire additional 20% of the issued share capital of Star Gaze at the Group's discretion. On the same date, the deposit in the amount of HK$10,000,000 (equivalent to approximately RMB8,952,000 as at 31 December 2016) was paid to Star Raise upon the execution of and in accordance with the terms of the Agreement, which shall be entirely refundable to the Group upon written request to Star Raise prior to the completion. The acquisition was terminated during the Period and the deposit will be refunded.

Details of the transaction were set out in the Company's announcement dated 7 November 2016.

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Trade receivables from securities broker services and margin loan segment		
– Cash clients	4,534	–
– Margin clients	38,179	–
– Clearing house	2,841	–
	45,554	–
Trade receivables from other segments	15,382	20,844
Less: Allowances for bad and doubtful debts	(2,489)	(2,546)
	12,893	18,298
	58,447	18,298
Deposits paid to suppliers	51,888	53,219
Less: Allowances for bad and doubtful debts	(16,541)	(16,541)
	35,347	36,678
Refundable deposit paid for acquisition	8,682	3,581
Prepayment for acquisition of financial assets at fair value through profit or loss	–	40,688
Other receivables due from ATV (note i)	88,001	61,037
Other receivables and prepayments	14,854	10,034
Other deposits	1,954	1,962
Value-added tax recoverable	1,782	3
Amounts due from non-controlling shareholders of subsidiaries (note ii)	42,324	–
Amount due from a director (note ii)	43	45
	251,434	172,326

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS – continued

Notes:

i. Amounts due from ATV represented (i) debts previously owed to the ex-employees and ex-independent contractors of ATV in the aggregate amount of approximately HK$54,249,000 (equivalent to approximately RMB47,099,000) (31 December 2016: HK$34,934,000 (equivalent to approximately RMB31,274,000)) (including mandatory provident fund contributions and surcharge for ex-employees of ATV in Hong Kong and social security insurance contributions and surcharge for ex-employees of ATV in PRC) which have been assigned to Star Platinum Enterprises Limited; and (ii) amounts advanced to ATV for maintaining its operation of approximately HK$47,111,000 (equivalent to approximately RMB40,902,000) (31 December 2016: HK$33,246,000 (equivalent to approximately RMB29,763,000)).

ii. The amounts due from a director and non-controlling shareholders of subsidiaries are unsecured, interest-free and repayable on demand.

Trade receivables from securities broker services and margin loan segment

All receivables from cash clients, margin clients and clearing house are not past due at the reporting dates for which the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are considered fully recoverable.

Trading limits are set for customers. The Group seeks to maintain tight control over its outstanding accounts receivable in order to minimise credit risk. Overdue balances are regularly monitored by management.

No aging analysis is disclosed for trade receivables from securities broker services and margin loan segment as, in the opinion of the directors, an aging analysis is not meaningful in view of the business nature of securities dealings.

12. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS – continued

Trade receivables from other segments

Payment terms with customers are mainly on credit together with deposits. Invoices are normally payable by 90 days of issuance.

The following is an aged analysis of trade receivables presented based on the invoice date and net of impairment at the end of the reporting period:

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
0 to 90 days	9,104	7,294
91 to 180 days	734	4,507
181 to 270 days	144	5,023
271 to 365 days	2,465	156
Over 365 days	446	1,318
	3,789	11,004
	12,893	18,298

Management closely monitors the credit quality of trade and other receivables and considers trade and other receivables that are neither past due nor impaired to be of a good credit quality.

13. LOAN RECEIVABLES

The credit quality analysis of the loans receivable is as follows:

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Neither past due nor impaired:		
Unsecured loans		
– principal	63,914	129,515
– interest	2,850	9,302
	66,764	138,817

The Group's loan receivables, which arise from the money lending business in Hong Kong, were denominated in Hong Kong dollars. The carrying value of the loan principal and interest receivables in original currency as at 30 June 2017 amounted to approximately HK$73,617,000 (31 December 2016: HK$144,672,000) and approximately HK$3,283,000 (31 December 2016: HK$10,390,000), respectively.

14. TRADE AND OTHER PAYABLES

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Trade payables from securities broker services and margin loan segment		
– Cash clients	6,981	–
– Margin clients	35,331	–
	42,312	–
Trade payables from other segments	24,896	24,916
Customers' deposits	25,509	27,238
Other payables and accruals (note i)	19,239	213,424
Amounts due to directors and a shareholder (note ii)	513	1,265
Amounts due to related parties (note ii)	20,901	–
	133,370	266,843

Notes:

i. Included in other payables, there was an amount of HK$220,000,000 (equivalent to RMB196,951,000) representing the outstanding consideration payable for the acquisition of ATV as at 31 December 2016. The outstanding consideration payable has been fully settled during the Period.

ii. The amounts due to directors, a shareholder and related parties are unsecured, interest-free and repayable on demand.

14. TRADE AND OTHER PAYABLES – continued

Trade payables from securities broker services and margin loan segment

No aging analysis is disclosed for payables to margin clients as, in the opinion of the directors, an aging analysis is not meaningful in view of the business nature of securities dealings and margin financing.

Trade payables from other segments

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
0 to 90 days	7,954	7,864
91 to 180 days	3,630	4,953
181 to 270 days	2,225	3,162
271 to 365 days	2,677	5,455
Over 365 days	8,410	3,482
	24,896	24,916

15. OBLIGATIONS UNDER FINANCE LEASES

The Group leases certain of its motor vehicles under finance leases.

	Minimum lease payments		Present value of minimum lease payments	
	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Amounts payable:				
Within one year	213	715	192	658
In the second year to fifth years Inclusive	526	1,684	504	1,623
Total minimum finance lease payments	739	2,399	696	2,281
Future finance charges	(43)	(118)		
Total net finance lease payables	696	2,281		
Portion classified as current liabilities	(192)	(658)		
Non-current portion	504	1,623		

16. SHORT-TERM BANK LOANS/SHORT-TERM LOANS FROM OTHER FINANCIAL INSTITUTIONS/OTHER BORROWING

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Short-term bank loans		
– secured	93,000	119,340
– unsecured	21,690	–
	114,690	119,340
Short-term loans from other financial institutions		
– secured	–	26,647
– unsecured	173,640	–
	173,640	26,647
Other borrowing		
– unsecured	48,619	–
	336,949	145,987

The Group's short-term bank loans are denominated in RMB (31 December 2016: RMB) while the short-term loans from other financial institution and other borrowing are denominated in HK$ (31 December 2016: HK$).

The short-term loans are secured by certain property, plant and equipment, prepaid lease payments, financial assets at fair value through profit or loss and pledged bank deposits with carrying values of RMB21,167,000 (31 December 2016: RMB23,148,000), RMB419,000 (31 December 2016: RMB426,000), Nil (31 December 2016: RMB1,317,000) and RMB28,920,000 (31 December 2016: RMB38,420,000) respectively at 30 June 2017.

The short-term loans and borrowing are fixed-rate loans which carry interest at the range of 4.35% to 12.00% (31 December 2016: 5.44% to 8.00%) per annum.

16. SHORT-TERM BANK LOANS/SHORT-TERM LOANS FROM OTHER FINANCIAL INSTITUTIONS/OTHER BORROWING – continued

At the end of the reporting date, the short-term loans from other financial institutions and certain short-term bank loans were guaranteed by the following related parties with respective maximum guarantees:

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Short-term bank loans		
Mr. Cai Chaodun[(1)]	31,200	–
Mr. Qiu Fengshou[(2)]	31,200	–
Mr. Sze Siu Hung[(3)]	10,000	–
Joint guarantee[(4)]	22,500	22,500
Joint guarantee[(5)]	45,000	45,000
Joint guarantee[(6)]	30,000	–
	169,900	67,500
Short-term loans from other financial institutions		
– Mr. Deng Jun Jie[(7)]	173,640	–
	343,540	67,500

(1) Mr. Cai Chaodun is the deputy general manager of the Group and a brother-in-law of Mr. Sze Siu Hung.

(2) Mr. Qiu Fengshou is the senior manager of the Group.

(3) Mr. Sze Siu Hung is a brother of Mr. Sze Siu Bun, an executive director of the Company.

(4) The credit facility was jointly guaranteed by Mr. Cai Chaodun and Mr. Qiu Fengshou.

(5) The credit facility was jointly guaranteed by Mr. Cai Chaodun and his wife, Ms. Wang Yuee.

(6) The credit facility was jointly guaranteed by Mr. Qiu Fengshou and his wife, Ding Hong Gan.

(7) Mr. Deng Jun Jie is the substantial shareholder of the Company.

17. CONVERTIBLE BONDS

On 23 October 2015, the Company entered into a conditional placing agreement (as supplemented by the supplemental CB Placing agreements dated 13 December 2015 and the second supplemental CB placing agreement dated 1 February 2016) (collectively, the "CB Placing Agreements") with China Everbright Securities ("China Everbright") in relation to the placing of the bonds in accordance with the terms of the CB Placing Agreements (the "Placing Bond"). On 15 April 2016, the Placing Bond with an aggregate principal amount of HK$120,450,000 had been successfully placed by China Everbright to not less than six CB investors. Details of the Placing Bond were set out in the Company's announcements dated 15 April 2016, 8 April 2016, 1 February 2016 and 14 December 2015 and the circular dated 22 February 2016.

The conversion option of the convertible bonds is accounted for as equity instrument and is determined after deducting the fair value of the liability component from the total fair value amount of the convertible bonds at the date of issuance. The residual amount represents the value of the conversion option, which is credited directly to equity as convertible bond equity reserve of the Group. The valuation of the fair value of the liability component at the date of issuance was carried out by an external independent valuer by using discounted cash flow method.

At 31 December 2016, an aggregate principal amount of HK$89,650,000 of the convertible bonds was converted into 407,500,000 ordinary shares at the conversion price of HK$0.22 per conversion share. No conversion occurred during the Period.

17. CONVERTIBLE BONDS – continued

The convertible bonds are bifurcated into a liability component and an equity component for accounting purpose. The following tables summarise the movements in the liability and equity components of the Company's convertible bonds during the Period:

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Liability component		
At the beginning date/date of issue	26,589	96,033
Effective interest expense	1,277	2,752
Interest payable	(1,081)	(2,461)
Conversion during the period/year	–	(72,504)
Currency realignment	(806)	2,769
At the end of the reporting date	25,979	26,589
Equity component (included in convertible bonds equity reserve)		
At the beginning date/date of issue	1,171	4,578
Conversion during the period/year	–	(3,407)
At the end of the reporting date	1,171	1,171

The liability component of the convertible bonds is classified as a non-current liability on the amortised cost basis until extinguished on conversion or redemption.

17. CONVERTIBLE BONDS – continued

The following tables set out the shareholding structure of the Company: (i) as at 30 June 2017 and 31 December 2016, and (ii) for illustrative purpose only, the structure immediately after the issue of the 140,000,000 Shares upon full conversion of the all the outstanding convertible bonds as at 30 June 2017 and 31 December 2016 at the conversion price of HK$0.22 per conversion share, assuming that there is no other changes to the share capital of the Company from 30 June 2017 and 31 December 2016 to date of the allotment and issue of the conversion shares:

Shareholders	**As at 30 June 2017**		**Immediately after conversion of all the outstanding convertible bonds and issue of the conversion shares**	
	No. of shares	*%*	*No. of shares*	*%*
Deng Jun Jie (note i)	1,335,388,000	27.92	1,335,388,000	27.12
KKC Capital SPC – KKC Capital High Growth Fund Segregated Portfolio (note i)	163,000,000	3.41	303,000,000	6.15
Total non-public shareholders	1,498,388,000	31.33	1,638,388,000	33.27
Public shareholders	3,284,716,000	68.67	3,284,716,000	66.73
Total	**4,783,104,000**	**100.00**	**4,923,104,000**	**100.00**

17. CONVERTIBLE BONDS – continued

Shareholders	As at 31 December 2016		Immediately after conversion of all the outstanding convertible bonds and issue of the conversion shares	
	No. of shares	%	*No. of shares*	%
Deng Jun Jie (note i)	645,100,000	16.18	645,100,000	15.64
KKC Capital (note i)	13,000,000	0.33	153,000,000	3.71
Total non-public shareholders	658,100,000	16.51	798,100,000	19.35
Public shareholders	3,327,820,000	83.49	3,327,820,000	80.65
Total	**3,985,920,000**	**100.00**	**4,125,920,000**	**100.00**

Note:

(i) The shareholder of the Company are only shown the ultimate beneficial owner.

As the bondholder has no right to demand prepayment of the convertible bonds before the maturity date and the bonds have a long maturity and as such, the outstanding convertible bonds is unlikely to have any negative impact on the financial and liquidity position of the Group before the maturity date. Furthermore, the outstanding convertible bond was converted into shares on 14 August 2017 as disclosed in note 23 to the unaudited interim condensed consolidated financial statements, the possible financial burden arises from the potential repayment of the convertible bonds is not likely to be significant for the time being.

As all the remaining Company's convertible bonds as at 31 December 2016 and 30 June 2017 was fully converted on 14 August 2017, the directors consider that no analysis of the implied rate of return at range of conversion date in the future for both periods need to be disclosed as they are not considered meaningful.

18. SHARE CAPITAL

	Authorised	
	Number of shares	Amount
	'000	HK$'000
Ordinary shares of HK$0.10 each:		
At 1 January 2016 (audited)	7,000,000	700,000
Increase in authorised share capital (note a)	13,000,000	1,300,000
At 31 December 2016 (audited) and 30 June 2017 (unaudited)	20,000,000	2,000,000

	Issued and fully paid		
	Number of shares	Amount	Amount
	'000	RMB'000	HK$'000
Ordinary shares of HK$0.10 each:			
At 1 January 2016 (audited)	2,036,040	186,229	203,604
Placement of new shares (note b)	600,000	50,076	60,000
Subscription of new shares (note c)	300,000	25,038	30,000
Conversion of convertible bonds (note d)	407,500	34,461	40,750
Placement of new shares (note e)	642,380	55,804	64,238
At 31 December 2016 (audited)	3,985,920	351,608	398,592
Placement of new shares (note f)	797,184	70,949	79,718
At 30 June 2017 (unaudited)	4,783,104	422,557	478,310

18. SHARE CAPITAL – continued

Notes:

(a) On 9 March 2016, an ordinary resolution was passed at an extraordinary general meeting by which the authorised number of ordinary share of the Company was increased from 7 billion to 20 billion by the creation of additional 13 billion ordinary shares of HK$0.1 each.

(b) On 23 October 2015, the Company entered into a share placing agreement (as subsequently supplemented by the Supplemental Share Placing Agreement dated 13 December 2015 and the Second Supplemental Share Placing Agreement dated 1 February 2016) (collectively, the "Share Placing Agreements") with Haitong International Securities Company Limited ("Haitong Securities"). Pursuant to the Share Placing Agreements, Haitong Securities conditionally agreed to place, on a best effort basis, up to an aggregate of 600,000,000 new ordinary shares of the Company to not less than six placees at a price of not less than HK$0.20 per placing share. On 1 April 2016, the share placing has been successfully placed at HK$0.20 per placing share.

(c) On 23 October 2015, the Company entered into a share subscription agreement (as subsequently supplemented by the Supplemental Share Subscription Agreement and the Second Supplemental Share Subscription Agreement) (collectively the "Share Subscription Agreements") with Honghu Capital Co. Limited ("Honghu Capital"). Pursuant to the Share Subscription Agreements, the Company conditionally agreed to allot and issue and Honghu Capital conditionally agreed to subscribe for 300,000,000 subscription shares (the "Share Subscription") at the subscription price of HK$0.20 per share. On 5 April 2016, the Share Subscription had been completed.

Honghu Capital was interested in 645,100,000 ordinary shares, representing approximately 21.97% of the total issued share capital of the Company at the date of the completion of the Share Subscription and thus was a substantial shareholder of the Company. Therefore, Honghu Capital was a connected person under Chapter 14A of the Listing Rules. Accordingly, the Share Subscription constituted a non-exempt connected transaction for the Company under the Listing Rules and was subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

18. SHARE CAPITAL – continued

Notes: – continued

(d) During the year end 31 December 2016, an aggregate principal amount of HK$89,650,000 of convertible bonds were converted at the conversion price of HK$0.22. These shares ranked pari passu with other shares in issue in all aspect.

(e) On 28 September 2016, the Company entered into a placing agreement with a placing agent pursuant to which the placing agent agreed to place 642,380,000 new shares under general mandate at the price of HK$0.22 per placing share. On 20 October 2016, a total of 642,380,000 new shares were successfully placed at the 2016 Placing Price. Accordingly, 642,380,000 shares of HK$0.1 each were issued at a premium of HK$0.12 each. The premium on issue of shares of approximately HK$73,553,000 net of transaction cost of approximately HK$3,533,000 was credited to the share premium account. These shares rank pari passu in all respects with the existing shares.

(f) On 16 February 2017, the Company entered into a share placing agreement (the "2017 Share Placing Agreement") with Kingston Securities Limited ("Kingston Securities"). Pursuant to the 2017 Share Placing Agreement, Kingston Securities has conditionally agreed to place, on a best effort basis, up to an aggregate of 797,184,000 new ordinary shares of the Company to not less than six placees at a price of not less than HK$0.20 per placing share. On 9 March 2017, 797,184,000 ordinary shares has been successfully placed at HK$0.20 per placing share. These shares rank pari passu in all respects with the existing shares.

19. RELATED PARTY TRANSACTIONS

The Directors represented key management of the Group. During the Period, Directors' remuneration of approximately RMB3,357,000 (2016: RMB2,343,000) was charged to the profit or loss.

The related party balances as at 30 June 2017 and 31 December 2016 are set out in notes 12, 14 and 16.

The related party transaction for both periods are disclosed as below:

Related Party	Nature	Six months ended 30 June	
		2017	2016
		RMB'000	RMB'000
Shareholder of non-controlling interests	Rental expenses	253	–

20. ACQUISITION OF SUBSIDIARIES

On 23 May 2016, the Group had entered into a sale and purchase agreement with an independent third party, Sincere Finance Holding Limited ("Sincere Finance"), pursuant to which the Group has conditionally agreed to acquire and Sincere Finance has conditionally agreed to sell the sale shares, representing 60% of the entired issued share capital of Million Federal International Limited and its subsidiaries (collectively refer to as "Million Federal Group") at the consideration of HK$90,000,000 (equivalent to approximately RMB79,785,000). The acquisition has been completed on 15 March 2017. The fair value of identifiable assets and liabilities of Million Federal Group at acquisition date are disclosed as below:

	RMB'000 (unaudited)
Property, plant and equipment	451
Deposits for other assets	699
Intangible assets	9,580
Trade and other receivables	38,187
Amount due from a shareholder	43,234
Amounts due from related companies	1,081
Financial assets at fair value through profit or loss	122
Bank balances and cash	109,922
Tax recoverable	1,084
Trade and other payables	(47,914)
Amount due to a director	(15,534)
Amounts due to related parties	(1,030)
Tax payables	(14)
Dividend payables	(40,619)
Deferred tax liability	(64)
Net assets acquired	99,185
Non-controlling interests	(39,674)
	59,511
Goodwill	20,274
Total consideration	79,785

An analysis of the net inflow of cash and cash equivalents in respect of the acquisition of Million Federal Group is as follows:

	RMB'000 (unaudited)
Cash consideration	(79,785)
Cash and bank balances acquired of	109,922
Net inflow of cash and cash equivalents in respect of the acquisition of subsidiaries	30,137

21. OPERATING LEASE COMMITMENTS

At 30 June 2017 and 31 December 2016, the Group had total future minimum lease payment under non-cancellable operating leases falling due as follows:

	At 30 June 2017 RMB'000 (unaudited)	At 31 December 2016 RMB'000 (audited)
Operating Lease Commitments		
Within one year	4,521	5,987
In the second to fifth years, inclusive	4,099	4,049
	8,620	10,036

The Group's operating leases are for terms from 1 to 2 years (31 December 2016: 1 to 3 years).

22. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The following table presents the carrying value of the Group's financial instruments measured at fair value across the three levels of the fair value hierarchy defined in Hong Kong Financial Reporting Standard 13 "Fair Value Measurement" with fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The fair value hierarchy has the following levels:

– Level 1: fair values measured quoted prices (unadjusted) in active markets for identical financial instruments;

– Level 2: fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and

– Level 3: fair value measured using significant unobservable inputs.

22. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS – continued

The financial assets measured at fair value in the interim condensed consolidated statement of financial position are grouped into the fair value hierarchy as follows:

	At 30 June 2017 (unaudited)		
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Financial assets at fair value through profit or loss			
– Equity securities listed in Hong Kong, at fair value	4,742	–	–
– Equity securities listed in oversea, at fair value	241,924	–	–
– Unlisted investment fund, at fair value	–	99,094	

	At 31 December 2016 (audited)		
	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000
Financial assets at fair value through profit or loss			
– Equity securities listed in Hong Kong, at fair value	114,789	–	–
– Unlisted investment fund, at fair value	–	86,633	–

The fair value of financial assets at fair value through profit or loss categorised in Level 2 is determined based on the market value as stated in net asset value statement issued by the broker.

There were no transfers between the three Levels during the Period (31 December 2016: Nil).

23. EVENTS AFTER THE REPORTING PERIOD

a) Completion of placing of new shares under general mandate

On 30 June 2017, the Company entered into a share placing agreement (the "June 2017 Share Placing Agreement") with the placing agents. Pursuant to the June 2017 Share Placing Agreement, the placing agents have conditionally agreed to place, on a best effort basis, up to 956,620,000 new ordinary shares of the Company to not less than six placees at a price of not less than HK$0.25 per placing share.

On 24 July 2017, an aggregate of 956,620,000 placing shares have been successfully placed by the placing agents at HK0.25 per placing share to not less than six placees who are independent third parties.

b) Subscription of shares in Yong Tai Berhad ("Yong Tai")

On 2 August 2017, Full Winning Developments Limited, a wholly-owned subsidiary of the Company (the "Subscriber") entered into the subscription agreement with Yong Tai, a company listed on the Main Market of Bursa Malaysia Securities Berhad. Under the subscription agreement, the Subscriber has conditionally agreed to subscribe for 43,000,000 new Yong Tai shares at the issue price of RM1.26 (equivalent to approximately HK$2.29) per share (the "Subscription Share"). The Subscription Shares to be subscribed by the Subscriber, represent approximately 8.98% of the issued share capital of Yong Tai as enlarged by the allotment and issue of the Subscription Shares.

As at the date of this report, the subscription of shares has not been completed.

c) Conversion of convertible bonds

On 14 August 2017, the convertible bonds in the principal amount of HK30,800,000 has been converted, pursuant to which a total number of 140,000,000 conversion shares have been allotted and issued to the convertible bond placee.

24. COMPARATIVE FIGURES

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

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors:

Mr. Tang Hon Kwo *(Chairman)*
Mr. Ma Zhi
Mr. Sze Siu Bun
Mr. Law Kin Fat *(appointed on 29 June 2017)*

Non-Executive Director:

Mr. Li Wenfeng *(Deputy Chairman)*

Independent Non-Executive Directors:

Ms. Han Xingxing
Mr. Cheung Ngai Lam
Mr. Li Yu

AUDIT COMMITTEE

Mr. Cheung Ngai Lam *(Chairman of committee)*
Ms. Han Xingxing
Mr. Li Yu

REMUNERATION COMMITTEE

Mr. Li Yu *(Chairman of committee)*
Mr. Cheung Ngai Lam
Ms. Han Xingxing

NOMINATION COMMITTEE

Ms. Han Xingxing *(Chairman of committee)*
Mr. Cheung Ngai Lam
Mr. Li Yu

AUTHORISED REPRESENTATIVES

Mr. Tang Hon Kwo
Ms. Wong Sze Wing

COMPANY SECRETARY

Ms. Wong Sze Wing

AUDITOR

Moore Stephens CPA Limited

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