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DICKSON CONCEPTS (INTERNATIONAL) LIMITED

迪生創建(國際)有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0113)

**GROUP INTERIM RESULTS
FOR THE SIX MONTHS ENDED
30TH SEPTEMBER, 2017**

The board of directors (“the Board”) of Dickson Concepts (International) Limited (“the Company”) announces that the unaudited consolidated results of the Company and its subsidiary companies (together “the Group”) for the six months ended 30th September, 2017 together with the comparative figures are as follows :-

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the period ended 30th September, 2017

		Six months ended 30th September,	
		2017	2016
	NOTE	(unaudited) HK\$'000	(unaudited) HK\$'000
Revenue	2	1,576,067	1,411,538
Cost of sales		<u>(849,511)</u>	<u>(727,491)</u>
Gross profit		726,556	684,047
Other income	3	18,602	58,240
Selling and distribution expenses		(616,741)	(611,235)
Administrative expenses		(90,141)	(95,126)
Other operating expenses		<u>(28,414)</u>	<u>(31,158)</u>
Operating profit		9,862	4,768
Finance costs		(639)	(614)
Share of loss of an associated company		<u>(1)</u>	<u>—</u>
Profit before taxation	4	9,222	4,154
Taxation	5	<u>(1,172)</u>	<u>(2,422)</u>
Profit for the period attributable to equity shareholders of the Company		<u>8,050</u>	<u>1,732</u>
Earnings per share (basic and diluted)	6	<u>2.1 cents</u>	<u>0.5 cents</u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the period ended 30th September, 2017

	Six months ended 30th September,	
	2017	2016
	(unaudited)	(unaudited)
	HK\$'000	HK\$'000
Profit for the period	8,050	1,732
	<u>-----</u>	<u>-----</u>
Other comprehensive income for the period :		
Items that may be reclassified subsequently to profit or loss :		
Exchange differences on translation of accounts of overseas subsidiary and associated companies (Note)	<u>7,081</u>	<u>3,471</u>
Available-for-sale equity securities :		
Changes in fair value recognised during the period	—	49,228
Reclassification adjustments for amounts transferred to profit or loss :		
— gains on disposal (Note 3)	<u>—</u>	<u>(50,036)</u>
Net movement in the fair value reserve during the period recognised in other comprehensive income (Note)	<u>—</u>	<u>(808)</u>
Other comprehensive income for the period	<u>7,081</u>	<u>2,663</u>
	<u>-----</u>	<u>-----</u>
Total comprehensive income for the period attributable to equity shareholders of the Company	<u>15,131</u>	<u>4,395</u>
	<u>-----</u>	<u>-----</u>

Note :-

There is no tax effect relating to the above components of the comprehensive income.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30th September, 2017

	NOTE	30/9/2017 (unaudited) HK\$'000	31/3/2017 (audited) HK\$'000
Non-current assets			
Property, plant and equipment		127,671	140,787
Associated company		24,416	23,354
Deferred tax assets		2,474	2,460
Other financial assets	8	<u>176,824</u>	<u>176,824</u>
		331,385	343,425
Current assets			
Inventories		619,628	645,186
Debtors, deposits and prepayments	9	310,334	286,122
Tax recoverable		2,585	3,049
Other financial assets	8	105,526	78,971
Cash and bank balances		<u>1,446,707</u>	<u>1,420,372</u>
		<u>2,484,780</u>	<u>2,433,700</u>
Current liabilities			
Bank loans	10	65,465	43,156
Bills payable		171	897
Creditors and accruals	11	628,738	598,106
Taxation		<u>13,456</u>	<u>15,336</u>
		<u>707,830</u>	<u>657,495</u>
Net current assets		<u>1,776,950</u>	<u>1,776,205</u>
Total assets less current liabilities		2,108,335	2,119,630
Non-current liabilities			
Deferred tax liabilities		24,069	24,482
Amount due to an associated company		<u>23,834</u>	<u>22,801</u>
Net assets		<u>2,060,432</u>	<u>2,072,347</u>
Capital and reserves			
Share capital	12	117,975	114,135
Reserves		<u>1,942,457</u>	<u>1,958,212</u>
Total equity attributable to equity shareholders of the Company		<u>2,060,432</u>	<u>2,072,347</u>

NOTES ON THE UNAUDITED INTERIM FINANCIAL REPORT

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The interim results set out in the announcement do not constitute the Group's interim financial report for the six months ended 30th September, 2017 but are extracted from the interim financial report.

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities ("the Listing Rules") on The Stock Exchange of Hong Kong Limited ("the Stock Exchange"), including compliance with Hong Kong Accounting Standard ("HKAS") 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). It was authorised for issue on 29th November, 2017.

This interim financial report has been prepared in accordance with the same accounting policies adopted in the 2017 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2018 annual financial statements. Details of any changes in accounting policies are set out in Note 1(b).

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2017 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs", which term collectively includes all applicable individual HKFRSs, HKASs and Interpretations issued by the HKICPA).

This interim financial report is unaudited, but has been reviewed by KPMG in accordance with Hong Kong Standard on Review Engagements 2410, *Review of interim financial information performed by the independent auditor of the entity*, issued by the HKICPA. KPMG's independent review report to the Board is included in the interim report to be sent to shareholders. In addition, this interim financial report has been reviewed by the Company's Audit Committee.

The financial information relating to the financial year ended 31st March, 2017 that is included in the interim financial report as comparative information does not constitute the Company's statutory annual consolidated financial statements for that financial year but is derived from those financial statements. The Company's auditor has reported on those financial statements. The auditor's report was unqualified and did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report.

(b) Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in this financial report.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. REVENUE / SEGMENTAL INFORMATION

(a) Revenue

The principal activities of the Group are the Sale of Luxury Goods and Securities Investment.

Revenue represents the invoiced value of goods sold less discounts and returns, income from concession and consignment sales, and net realised gain / (loss) on trading of securities investment.

The amount of each significant category of revenue is as follows :-

	Six months ended 30th September,	
	2017	2016
	HK\$'000	HK\$'000
Revenue from Sale of Luxury Goods		
Fashion and accessories	589,116	598,897
Watches and jewellery	504,976	421,945
Cosmetics and beauty products	<u>478,826</u>	<u>390,696</u>
	1,572,918	1,411,538
Revenue from Securities Investment	<u>3,149</u>	<u>—</u>
	<u><u>1,576,067</u></u>	<u><u>1,411,538</u></u>

Information about major customers

The Group sells goods to numerous individual customers without concentration of reliance. There is no disclosable information of major customers under HKFRS8, *operating segments*.

(b) Segment reporting

The Group manages its businesses by divisions. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purpose of resource allocation and performance assessment, the Group has presented the following two reportable segments :-

Sale of Luxury Goods business : The sale of luxury goods to retail and wholesale customers.

Securities Investment business : The investment in listed and unlisted securities.

(i) Segment results

Information regarding the Group's reportable segments for the six months ended 30th September, 2017 and 30th September, 2016 respectively is set out below.

	Sale of Luxury Goods		Securities Investment		Total	
	Six months ended 30th September,		Six months ended 30th September,		Six months ended 30th September,	
	2017	2016	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue from external customers	<u>1,572,918</u>	<u>1,411,538</u>	<u>3,149</u>	<u>—</u>	<u>1,576,067</u>	<u>1,411,538</u>
Reportable segment revenue	<u>1,572,918</u>	<u>1,411,538</u>	<u>3,149</u>	<u>—</u>	<u>1,576,067</u>	<u>1,411,538</u>
Reportable segment profit / (loss)	43,803	(827)	5,284	51,997	49,087	51,170

Revenue and expenses are allocated to the reportable segments with reference to the sales generated and expenses incurred by those segments. The measure used for reporting segment profit / (loss) is adjusted profit / (loss) before taxation. The adjusted profit / (loss) before taxation is measured consistently with the Group's profit / (loss) before taxation except that certain interest income, unallocated expenses and certain finance costs are excluded from such measurement.

(ii) Reconciliations of reportable segment revenues and profit or loss

Revenue

No reconciliation of revenue is required as the total reportable segments' figure is equal to the Group's consolidated figure.

	months ended 30th September,	
	2017 HK\$'000	2016 HK\$'000
Profit		
Reportable segment profit	49,087	51,170
Unallocated interest income and other revenue	11,234	5,185
Other unallocated central overheads	<u>(51,099)</u>	<u>(52,201)</u>
Consolidated profit before taxation	<u>9,222</u>	<u>4,154</u>

(iii) 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 and interest in an associated company. The geographical location of customers is based on the location at which the goods are 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, and the location of operations, in the case of interest in an associated company.

	Revenues from external customers		Specified non-current assets	
	Six months ended 30th September,		30/9/2017	31/3/2017
	2017 HK\$'000	2016 HK\$'000	HK\$'000	HK\$'000
Hong Kong (place of domicile)	<u>1,191,737</u>	<u>1,014,912</u>	<u>94,562</u>	<u>101,011</u>
Taiwan	290,345	297,122	21,525	25,270
China	43,286	30,367	27,643	27,408
Singapore / Malaysia	34,026	48,166	7,251	8,541
Other territories	<u>16,673</u>	<u>20,971</u>	<u>1,106</u>	<u>1,911</u>
	<u>384,330</u>	<u>396,626</u>	<u>57,525</u>	<u>63,130</u>
Total	<u>1,576,067</u>	<u>1,411,538</u>	<u>152,087</u>	<u>164,141</u>

3. OTHER INCOME

	Six months ended 30th September,	
	2017	2016
	HK\$'000	HK\$'000
Available-for-sale equity securities : reclassified from equity		
– on disposal	—	50,036
Dividend income from listed securities	—	388
Interest income	8,111	5,847
Loss on disposal of property, plant and equipment	(618)	(536)
Net foreign exchange gain	8,457	468
Realised and unrealised gains from financial assets designated at fair value through profit or loss :-		
– interest income	1,562	1,506
– net fair value gains	878	531
Unrealised gain on trading securities	<u>212</u>	<u>—</u>
	<u>18,602</u>	<u>58,240</u>

4. PROFIT BEFORE TAXATION

	Six months ended 30th September,	
	2017	2016
	HK\$'000	HK\$'000
Profit before taxation is arrived at after charging :-		
Depreciation	30,118	30,271
Interest on bank overdrafts and loans repayable within five years	<u>639</u>	<u>614</u>

5. TAXATION

	Six months ended 30th September,	
	2017	2016
	HK\$'000	HK\$'000
Current tax — Hong Kong Profits Tax		
Provision for the period	—	135
Under-provision in respect of prior years	<u>38</u>	<u>128</u>
	<u>38</u>	263
Current tax — Overseas		
Provision for the period	1,405	7,781
Under-provision in respect of prior years	<u>141</u>	<u>161</u>
	<u>1,546</u>	7,942
Deferred tax		
Origination and reversal of temporary differences	<u>(412)</u>	<u>(5,783)</u>
Total income tax expense	<u>1,172</u>	<u>2,422</u>

Taxation in the consolidated statement of profit or loss includes provision for Hong Kong Profits Tax at 16.5 per cent. (2016 : 16.5 per cent.) on the estimated assessable profits for the period after deducting tax losses brought forward from previous years.

Taxation for overseas subsidiary companies is charged at the appropriate current rates of taxation ruling in the relevant countries.

6. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the profit for the period attributable to ordinary equity shareholders of the Company of HK\$8,050,000 (2016 : HK\$1,732,000) and the weighted average number of 382,130,379 ordinary shares (2016 : 380,451,745 ordinary shares) in issue during the period.

Weighted average number of ordinary shares

	Six months ended 30th September,	
	2017	2016
	Number	Number
	of shares	of shares
	Thousands	Thousands
Issued ordinary shares at 1st April	380,452	380,452
Effect of scrip dividend (Note 12)	<u>1,678</u>	<u>—</u>
Weighted average number of ordinary shares at 30th September	<u><u>382,130</u></u>	<u><u>380,452</u></u>

7. DIVIDENDS

	Six months ended 30th September,	
	2017	2016
	HK\$'000	HK\$'000
(a) Interim dividend declared after the interim period end : Nil (2016: Nil)	<u>—</u>	<u>—</u>
(b) Final dividend in respect of the previous financial year, approved and paid during the interim period, of HK17 cents (for the year ended 31st March, 2016 : HK11 cents) per ordinary share	<u><u>64,677</u></u>	<u><u>41,850</u></u>

8. OTHER FINANCIAL ASSETS

	30/9/2017 HK\$'000	31/3/2017 HK\$'000
Non-current assets		
Unlisted available-for-sale equity securities	<u>176,824</u>	<u>176,824</u>
Current assets		
Listed debt securities designated at fair value through profit or loss	28,213	78,971
Investment in securities held for trading, at fair value	<u>77,313</u>	<u>—</u>
	<u>105,526</u>	<u>78,971</u>
	<u>282,350</u>	<u>255,795</u>

Unlisted available-for-sale equity securities of HK\$176,824,000 (at 31st March, 2017 : HK\$176,824,000) do not have a quoted market price in an active market and their fair values cannot be reliably measured. They are recognised at cost less impairment losses.

9. DEBTORS, DEPOSITS AND PREPAYMENTS

Included in debtors, deposits and prepayments are trade debtors (net of allowance for doubtful debts) with the following ageing analysis based on due date as at the end of the reporting period :-

	30/9/2017 HK\$'000	31/3/2017 HK\$'000
Current	<u>94,283</u>	<u>73,647</u>
1 to 30 days overdue	<u>—</u>	<u>140</u>
Amounts overdue	<u>—</u>	<u>140</u>
	<u>94,283</u>	<u>73,787</u>

Trade debtors are due within 30 to 90 days from the date of billing.

10. BANK LOANS

At the end of the reporting period, the bank loans were secured as follows :-

	30/9/2017	31/3/2017
	HK\$'000	HK\$'000
Secured	65,465	13,293
Unsecured	<u>—</u>	<u>29,863</u>
	<u>65,465</u>	<u>43,156</u>

At the end of the reporting period, the banking facilities of a subsidiary company were secured by a charge over certain investment securities held for trading and debt securities, with total carrying value of HK\$105,526,000 (at 31st March, 2017 : HK\$78,971,000).

The effective borrowing interest rate at the end of the reporting period for the Group is 2.06 per cent. (at 31st March, 2017 : 2.17 per cent.) and its re-fixing date is within one year.

11. CREDITORS AND ACCRUALS

Included in creditors and accruals are trade creditors with the following ageing analysis based on due date as at the end of the reporting period :-

	30/9/2017	31/3/2017
	HK\$'000	HK\$'000
Current	247,859	220,092
1 to 30 days overdue	8	873
31 to 60 days overdue	4	173
Over 60 days overdue	<u>87</u>	<u>73</u>
	<u>247,958</u>	<u>221,211</u>

12. SHARE CAPITAL

	30/9/2017		31/3/2017	
	Number of shares Thousands	Nominal value HK\$'000	Number of shares Thousands	Nominal value HK\$'000
Authorised :-				
Ordinary shares of HK\$0.30 each	<u>518,000</u>	<u>155,400</u>	<u>518,000</u>	<u>155,400</u>
Issued and fully paid :-				
Ordinary shares of HK\$0.30 each				
Balance brought forward	380,452	114,135	380,452	114,135
New ordinary shares issued under scrip dividend scheme	<u>12,799</u>	<u>3,840</u>	—	—
Balance carried forward	<u>393,251</u>	<u>117,975</u>	<u>380,452</u>	<u>114,135</u>

During the six months ended 30th September, 2017, 12,799,586 new fully paid ordinary shares were issued and allotted at HK\$2.94 per ordinary share to the shareholders who elected to receive new ordinary shares in lieu of cash pursuant to the scrip dividend scheme in relation to the final dividend for the year ended 31st March, 2017.

13. CAPITAL COMMITMENTS

Capital commitments outstanding at 30th September, 2017 not provided for in the financial statements were as follows :-

	30/9/2017 HK\$'000	31/3/2017 HK\$'000
Contracted for	5,042	1,921
Authorised but not contracted for	<u>960</u>	—
	<u>6,002</u>	<u>1,921</u>

14. CONTINGENT LIABILITIES

At 30th September, 2017, the Company had the following contingent liabilities in respect of :-

- (a) Guarantees of HK\$1,076,986,000 (at 31st March, 2017 : HK\$1,068,774,000) given to banks to secure facilities granted to certain subsidiary companies. The facilities were utilised to the extent of HK\$120,281,000 (at 31st March, 2017 : HK\$146,739,000) at the end of the reporting period.
- (b) Guarantees given to licensors to guarantee the performance by certain subsidiary companies of obligations under certain agreements. The amount due under the agreements was HK\$15,525,000 (at 31st March, 2017 : HK\$13,072,000) at the end of the reporting period.

As at the end of the reporting period, the directors do not consider it probable that a claim will be made against the Company under any of the guarantees. No provision was therefore made in this respect at 30th September, 2017 and 31st March, 2017.

The Company has not recognised any deferred income in respect of the guarantees given as their fair value cannot be reliably measured and their transaction price was Nil.

15. COMPARATIVE FIGURES

As a result of the adoption of Securities Investment as one of the principal business activities of the Group, certain comparative figures for segmental information in Note 2 have been adjusted to conform to current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the six months ended 30th September, 2017, the Group's turnover was HK\$1,576.1 million, an increase of 11.7 per cent.. Comparable store sales increased by 12.4 per cent. after adjusting for discontinued and new stores. Overall margin decreased by 2.4 percentage points as a result of a change of sales mix.

Net profit attributable to equity shareholders was HK\$8.1 million, from which the Group's investments portfolio contributed a net profit of HK\$5.3 million.

BUSINESS REVIEW

During this six-month period, the Group has opened 3 new stores in Taiwan. Today, the Group's retail network totals 111 stores. This comprises 25 stores in Hong Kong, 15 in China, 58 in Taiwan, 5 in Singapore, 5 in Malaysia and 3 in Macau.

Geographically, Hong Kong contributed 75.6 per cent. of sales, Taiwan 18.4 per cent., China 2.7 per cent. and the rest of Asia 3.3 per cent..

FULL YEAR PROSPECTS

The Group expects the retail climate in Hong Kong, China and South East Asia to remain volatile in the foreseeable future. The performance of the Group in the Hong Kong retail market has improved slightly but remains inconsistent. The Taiwan retail market has remained weak due to continued reduction in tourist arrivals from China primarily caused by poor political relationship between Mainland China and Taiwan. In China, consumer demand continues to be affected by reduced spending on gift-giving. Given these difficult conditions, the Group will continue to rigorously control costs and expenses at all levels of operation and adopt a very cautious approach to its further expansion and development strategies.

On the investment side, the Group will continue to seek new investment opportunities to diversify and broaden its earnings base.

With net cash of HK\$1,381.2 million and its strong balance sheet, the Group is in an excellent position to take advantage of any recovery in market condition as well as to undertake new investment opportunities to diversify and continue to broaden its earnings base.

EMPLOYMENT AND REMUNERATION POLICIES

As at 30th September, 2017, the Group had 1,497 (2016 : 1,612) employees. Total staff costs (including directors' emoluments) amounted to HK\$211.3 million (2016 : HK\$211.3 million). Remuneration policies are reviewed regularly by the Board and by the Remuneration Committee in respect of directors and senior management. Remuneration packages are structured to take into account the level and composition of pay and the general market conditions in the respective countries and businesses in which the Group operates. Details of the share option scheme ("the Share Option Scheme") were disclosed in the Company's 2017 annual report ("the 2017 Annual Report"). No share options were granted or exercised under the Share Option Scheme during the period under review.

LIQUIDITY AND FINANCIAL RESOURCES

During the six months ended 30th September, 2017, the Group's net cash from investing activities was utilised to fund working capital requirements and financing activities including payment of the final dividend for the previous financial year. Net cash surplus totalled HK\$23.2 million.

As a result, the Group's net liquid financial resources as at 30th September, 2017 stood at HK\$1,381.2 million, represented by cash and bank balances of HK\$1,446.7 million less short-term bank borrowings of HK\$65.5 million.

The Group also maintains substantial uncommitted short-term loan facilities with selected international banks for day-to-day requirements and funding flexibility. Utilisation of these facilities over and above prevailing levels during the second half of the current financial year is not anticipated given the Group's net cash position.

FOREIGN CURRENCY EXPOSURE AND FINANCIAL MANAGEMENT

Merchandise purchased by the Group is mainly denominated in United States Dollars, Euros, Pounds Sterling and Swiss Francs. Where appropriate, forward foreign exchange contracts are utilised to purchase the relevant currency to settle amounts due and it is the Group's policy that such foreign exchange contracts or foreign currency purchases are strictly limited to approved purchase budget amounts or actual purchase commitments.

Exposure to fluctuations in the exchange rate of regional currencies in respect of the Group's overseas operations is minimised by utilising local currency borrowings, where necessary, to fund working capital and capital expenditure requirements with repayment from funds generated from local sales.

Financial risk management for the Group is the responsibility of the treasury department based in Hong Kong which implements the policies and guidelines issued by the Board. Surplus cash is held mainly in United States Dollars, New Taiwan Dollars, Hong Kong Dollars and Renminbi with the majority placed on short-term deposits with established international banks.

As at 30th September, 2017, the Group's current ratio, being current assets divided by current liabilities, was 3.5 times compared to 3.7 times as at 31st March, 2017. The Group has maintained a net surplus cash position throughout the period under review and its gearing ratio, being total bank borrowings net of cash balances as a percentage of consolidated capital and reserves is Nil (as at 31st March, 2017 : Nil).

OTHER INFORMATION

INTERIM DIVIDEND

In view of the results, the Board resolved not to declare an interim dividend (2016 : Nil).

SHARE PURCHASE, SALE AND REDEMPTION

At no time during the period under review was there any purchase, sale or redemption by the Company, or any of its subsidiary companies, of the Company's ordinary shares.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance. The Company recognises that corporate governance practices are fundamental to the smooth, effective and transparent operation of a company and its ability to attract investment, protect the rights of shareholders and enhance shareholder value.

The Company has applied the principles and complied with all the code provisions of the Corporate Governance Code ("the CG Code") as set out in Appendix 14 of the Listing Rules throughout the period under review except code provision A.2.1 of the CG Code as the functions of the Chief Executive Officer are now performed by Sir Dickson Poon, the Group Executive Chairman.

Detailed information on the Company's other corporate governance practices was set out in the Corporate Governance Report included in the 2017 Annual Report.

REVIEW OF GROUP INTERIM RESULTS

The Audit Committee has reviewed the unaudited consolidated interim results of the Group for the six months ended 30th September, 2017 with the Board.

As at the date of this announcement, the Board comprises :-

Executive Directors:

Dickson Poon (*Group Executive Chairman*)

Chan Tsang Wing, Nelson

(*Chief Operating Officer*)

Chan Hon Chung, Johnny Pollux

Lau Yu Hee, Gary

Independent Non-Executive Directors:

Bhanusak Asvaintra

Nicholas Peter Etches

Leung Kai Hung, Michael

By Order of the Board

Or Suk Ying, Stella

Company Secretary

Hong Kong, 29th November, 2017

** For identification purposes only*