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**Jimei 集美 지메이**

**JIMEI INTERNATIONAL ENTERTAINMENT GROUP LIMITED**

**集美國際娛樂集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1159)**

**ANNOUNCEMENT OF INTERIM RESULTS  
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

**INTERIM RESULTS**

The board (the “**Board**”) of directors (the “**Directors**”) of Jimei International Entertainment Group Limited (the “**Company**”) is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2015, together with the comparative figures for the corresponding period in 2014 as follows:

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

*For the six months ended 30 June 2015*

		<b>Six months ended 30 June</b>	
		<b>2015</b>	<b>2014</b>
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>Unaudited</b>	<b>Unaudited</b>
Revenue	5	<b>112,367</b>	49,422
Cost of goods sold and services provided		<b>(51,792)</b>	(48,177)
<b>Gross profit</b>		<b>60,575</b>	1,245
Other revenue		<b>5</b>	78
Operating expenses		<b>(2,928)</b>	–
Administrative expenses		<b>(19,736)</b>	(7,933)
Finance costs	6	<b>(3,249)</b>	(1,672)
<b>Profit/(loss) before taxation</b>	7	<b>34,667</b>	(8,282)
Income tax expense	8	<b>(113)</b>	–
<b>Profit/(loss) for the period</b>		<b>34,554</b>	(8,282)

		<b>Six months ended 30 June</b>	
		<b>2015</b>	2014
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>Unaudited</b>	Unaudited
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange difference on translating foreign operation		(41)	(679)
Increase/(decrease) in fair value of available-for-sale investments		<u>516</u>	<u>(322)</u>
<b>Other comprehensive income for the period, net of tax</b>		<u>475</u>	<u>(1,001)</u>
<b>Total comprehensive income for the period</b>		<u><u>35,029</u></u>	<u><u>(9,283)</u></u>
<b>Profit/(loss) attributable to:</b>			
Owners of the Company		52,785	(8,282)
Non-controlling interests		<u>(18,231)</u>	<u>–</u>
<b>Profit/(loss) for the period</b>		<u><u>34,554</u></u>	<u><u>(8,282)</u></u>
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		53,260	(9,283)
Non-controlling interests		<u>(18,231)</u>	<u>–</u>
<b>Total comprehensive income for the period</b>		<u><u>35,029</u></u>	<u><u>(9,283)</u></u>
			(Restated)
<b>Earnings/(losses) per share</b>			
– Basic	9	<b>HK cents 10.69</b>	HK cents (4.91)
– Diluted	9	<u><b>HK cents 8.55</b></u>	<u>HK cents (4.91)</u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2015

	<i>Notes</i>	As at 30 June 2015 <i>HK\$'000</i> Unaudited	As at 31 December 2014 <i>HK\$'000</i> Audited
<b>Non-current assets</b>			
Property, plant and equipment		1,132	1,327
Available-for-sale investments		7,846	7,330
		<u>8,978</u>	<u>8,657</u>
<b>Current assets</b>			
Trade and other receivables	11	145,126	25,548
Bank balances and cash		142,456	157,053
		<u>287,582</u>	<u>182,601</u>
<b>Current liabilities</b>			
Trade and other payables	12	60,723	1,886
Amount due to a related company	16(a)	3,375	–
Amount due to a non-controlling interest of a subsidiary	13	4,900	–
Borrowings	14	7,754	7,758
Current tax liabilities		153	42
		<u>76,905</u>	<u>9,686</u>
<b>Net current assets</b>		<u>210,677</u>	<u>172,915</u>
<b>Total assets less current liabilities</b>		<u>219,655</u>	<u>181,572</u>
<b>Non-current liabilities</b>			
Convertible bonds		39,889	36,874
<b>Net assets</b>		<u>179,766</u>	<u>144,698</u>
<b>Capital and reserves</b>			
Share capital	15	49,356	49,356
Reserves		148,602	95,342
Equity attributable to owners of the Company		<u>197,958</u>	<u>144,698</u>
<b>Non-controlling interests</b>		<u>(18,192)</u>	<u>–</u>
<b>Total equity</b>		<u><u>179,766</u></u>	<u><u>144,698</u></u>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2015

	Attributable to owners of the Company										
	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Special reserve HK\$'000	Investment revaluation reserve HK\$'000	Convertible bonds reserve HK\$'000	Exchange reserve HK\$'000	(Accumulated losses)/ retained earnings HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 January 2015	49,356	76,385	1,564	(123)	2,096	20,427	(241)	(4,766)	144,698	-	144,698
Profit for the period	-	-	-	-	-	-	-	52,785	52,785	(18,231)	34,554
Other comprehensive income:											
- Exchange difference on translating of foreign operation	-	-	-	-	-	-	(41)	-	(41)	-	(41)
- Increase in fair value of available-for-sale investments	-	-	-	-	516	-	-	-	516	-	516
Total comprehensive income for the period	-	-	-	-	516	-	(41)	52,785	53,260	(18,231)	35,029
Capital injection from a non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	39	39
Transfer of special reserve to retained earnings upon disposal of subsidiaries	-	-	-	123	-	-	-	(123)	-	-	-
<b>At 30 June 2015 (unaudited)</b>	<b>49,356</b>	<b>76,385</b>	<b>1,564</b>	<b>-</b>	<b>2,612</b>	<b>20,427</b>	<b>(282)</b>	<b>47,896</b>	<b>197,958</b>	<b>(18,192)</b>	<b>179,766</b>
At 1 January 2014	84,283	117,712	1,564	(123)	1,702	-	384	(172,169)	33,353	-	33,353
Loss for the period	-	-	-	-	-	-	-	(8,282)	(8,282)	-	(8,282)
Other comprehensive income:											
- Exchange difference on translating of foreign operation	-	-	-	-	-	-	(679)	-	(679)	-	(679)
- Decrease in fair value of available-for-sale investments	-	-	-	-	(322)	-	-	-	(322)	-	(322)
Total comprehensive income for the period	-	-	-	-	(322)	-	(679)	(8,282)	(9,283)	-	(9,283)
<b>At 30 June 2014 (unaudited)</b>	<b>84,283</b>	<b>117,712</b>	<b>1,564</b>	<b>(123)</b>	<b>1,380</b>	<b>-</b>	<b>(295)</b>	<b>(180,451)</b>	<b>24,070</b>	<b>-</b>	<b>24,070</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2015

	Six months ended 30 June	
	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Net cash (used in)/generated from operating activities	(19,365)	7,692
Net cash (used in)/generated from investing activities	(179)	43
Net cash generated from financing activities	<u>4,939</u>	<u>6,668</u>
Net (decrease)/increase in cash and cash equivalents	(14,605)	14,403
Cash and cash equivalents at beginning of the period	157,053	10,101
Effect of exchange rate changes on cash and cash equivalents	<u>8</u>	<u>(124)</u>
Cash and cash equivalents at end of the period, represented by bank balances and cash	<u><u>142,456</u></u>	<u><u>24,380</u></u>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2015*

## 1 GENERAL INFORMATION

Jimei International Entertainment Group Limited (the “**Company**”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The addresses of the registered office and principal place of business of the Company are at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and Unit No. 3908-11, 39th Floor, COSCO Tower, No. 183 Queen’s Road Central, Hong Kong, respectively.

The Company is an investment holding company where the Group, comprising the Company and its subsidiaries, is principally engaged in entertainment and gaming business, and trading of chemical products, and energy conservation and environmental protection products.

## 2 BASIS OF PREPARATION

The condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with the applicable disclosure requirements of the Appendix 16 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange and Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountant (“**HKICPA**”). The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 31 December 2014 dated 30 January 2015 (the “**2014 Annual Financial Statements**”), which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA.

Except disclosed in Note 3 to the financial statements, the condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with the same accounting policies adopted in the 2014 Annual Financial Statements. The auditors of the Company have expressed a qualified opinion on the Group’s performance and cash flows for the year ended 31 December 2013 in the 2014 Annual Financial Statements.

The condensed consolidated financial statements are unaudited, but have been reviewed by BDO Limited 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.

### 3 ACCOUNTING POLICIES

#### (a) Application of amendments to HKFRSs

In the current interim period, the Group has applied for the first time the following amendments to HKFRSs that are relevant for the preparation of the Group's condensed consolidated financial statements:

HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle
Amendments to HKAS 19 (2011)	Defined Benefit Plans: Employee Contributions

The application of these amendments in the current period has no material effect on the Group's condensed consolidated financial statements and/or disclosures sets out in the condensed consolidated financial statements.

#### (b) New and revised HKFRSs issued by not yet effective

The HKICPA has also issued the following new or revised standards, amendments or interpretations which are not yet effective for the financial period beginning on 1 January 2015:

HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle <sup>1</sup>
Amendments to HKAS 1	Disclosure Initiative <sup>1</sup>
Amendments to HKAS 27	Equity Method in Separate Financial Statements <sup>1</sup>
HKFRS 9 (2014)	Financial Instruments <sup>3</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>2</sup>

<sup>1</sup> *Effective for annual periods beginning on or after 1 January 2016*

<sup>2</sup> *Effective for annual periods beginning on or after 1 January 2017*

<sup>3</sup> *Effective for annual periods beginning on or after 1 January 2018*

The Group has not early applied the above new or revised standards, amendments or interpretations in preparation of the condensed consolidated financial statements. The Group has already commenced an assessment of the related impact to the Group but is not yet in a position to state whether any substantial changes to the Group's significant accounting policies or presentation of the Group's consolidated financial statements will be resulted.

#### (c) Revenue recognition for new entertainment and gaming business

Revenue from entertainment and gaming business represents revenue from gaming promotion operations which is recognised upon share of the net gaming wins and losses from the gaming tables.

#### 4 FAIR VALUE MEASUREMENT

The fair value measurement of the Group's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the “**fair value hierarchy**”):

- Level 1: Quoted prices in active markets for identical items (unadjusted);
- Level 2: Observable direct or indirect inputs other than Level 1 inputs;
- Level 3: Unobservable inputs (i.e. not derived from market data).

Financial instruments that are measured subsequently to initial recognition at fair value, represent the Group's investments in listed securities in Hong Kong accounted for as available-for-sale investments, amounted to HK\$7,846,000 (31 December 2014: HK\$7,330,000), is based on Level 1 measurement which is determined by quoted prices in active markets.

#### 5 SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker (“**CODM**”), for the purpose of resource allocation and assessment of segment performance focuses on operating division of the Group.

The Group is currently organised into two operating segments – (i) entertainment and gaming business; and (ii) chemical products, and energy conservation and environmental protection products business and these segments are managed separately as each business offers different products and services and required different business strategies. Principal activities of these two operating segments are as follows:

- (i) Entertainment and gaming business – receiving profit streams as commission income from junket arrangement.
- (ii) Chemical products, and energy conservation and environmental protection products – trading of chemical, energy conservation and environmental protection products.



## Segment revenue and results

The following is an analysis of the Group's revenue and results by operating segments:

For the six months ended 30 June 2015 (unaudited)

	Entertainment and gaming business <i>HK\$'000</i>	Chemical products, and energy conservation and environmental protection products business <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Revenue from external customers	<u>112,367</u>	<u>–</u>	<u>112,367</u>
Segment profit/(loss)	55,420	(1,711)	53,709
Unallocated income/(expense) items:			
Central administration costs and directors' salaries			(15,798)
Other revenue			5
Finance costs			<u>(3,249)</u>
Profit before taxation			<u>34,667</u>

For the six months ended 30 June 2014 (unaudited)

	Chemical products, and energy conservation and environmental protection products business and consolidated total <i>HK\$'000</i>
Revenue – external sales	<u><u>49,422</u></u>
Segment loss	(481)
Unallocated income/(expense) items:	
Central administration costs and directors' salaries	(6,207)
Other revenue	78
Finance costs	<u>(1,672)</u>
Loss before taxation	<u><u>(8,282)</u></u>

Segment result represents profit/(loss) before taxation earned by each segment without absorption of unallocated income/(expense) items, as this is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

## Segment assets and liabilities

The reconciliation between the segment assets and liabilities and the respective consolidated balances is as follows:

As at 30 June 2015 (unaudited)

	Entertainment and gaming business <i>HK\$'000</i>	Chemical products, and energy conservation and environmental protection products business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
<b>Total assets</b>	<b><u>188,092</u></b>	<b><u>23,706</u></b>	<b><u>84,762</u></b>	<b><u>296,560</u></b>
<b>Total liabilities</b>	<b><u>63,504</u></b>	<b><u>5,397</u></b>	<b><u>47,893</u></b>	<b><u>116,794</u></b>

As at 31 December 2014 (audited)

	Chemical products, and energy conservation and environmental protection products business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Total assets	<u>25,150</u>	<u>166,108</u>	<u>191,258</u>
Total liabilities	<u>1,771</u>	<u>44,789</u>	<u>46,560</u>

## Other segment information

For the six months ended 30 June 2015 (unaudited)

	Entertainment and gaming business <i>HK\$'000</i>	Chemical products, and energy conservation and environmental protection products business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:				
Additions to non-current assets	236	–	11	247
Depreciation of property, plant and equipment	7	197	236	440
Finance costs	–	–	3,249	3,249
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

For the six months ended 30 June 2014 (unaudited)

	Chemical products, and energy conservation and environmental protection products business <i>HK\$'000</i>	Unallocated <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:			
Additions to non-current assets	–	15	15
Depreciation of property, plant and equipment	351	75	426
Finance costs	–	1,672	1,672
	<u>–</u>	<u>1,672</u>	<u>1,672</u>

### Geographical information

The Group's operations are mainly located in Hong Kong, the People's Republic of China excluding Hong Kong ("PRC"), Macau, Western Australia and the Kingdom of Cambodia.

The following table provides an analysis of revenue from external customers derived from Hong Kong, which is the country of domicile of the Group for the purpose of HKFRS 8, and non-Hong Kong, irrespective of the origin of the goods and information about its non-current assets by geographical location of the assets.

	<b>Revenue from external customers</b>	
	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>Unaudited</b>	Unaudited
Hong Kong	–	40,169
Western Australia	<b>136,612</b>	–
Kingdom of Cambodia	<b>(24,245)</b>	–
PRC	–	9,253
	<u>–</u>	<u>9,253</u>
	<b><u>112,367</u></b>	<b><u>49,422</u></b>

	<b>Non-current assets (Note)</b>	
	As at	As at
	<b>30 June</b>	31 December
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>Unaudited</b>	Audited
Hong Kong	<b>218</b>	442
Western Australia	<b>103</b>	–
Kingdom of Cambodia	<b>124</b>	–
Macau	<b>1</b>	–
PRC	<b>686</b>	885
	<u>–</u>	<u>885</u>
	<b><u>1,132</u></b>	<b><u>1,327</u></b>

*Note:* Non-current assets exclude available-for-sale investments.

## 6 FINANCE COSTS

	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>Unaudited</b>	Unaudited
Effective interests on borrowings wholly repayable within five years:		
Convertible bonds	<b>3,015</b>	–
Borrowings	<u>234</u>	<u>1,672</u>
	<b><u>3,249</u></b>	<b><u>1,672</u></b>

## 7 PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation for the period has been arrived at after charging the followings:

	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>Unaudited</b>	Unaudited
Directors' remuneration	<b>4,204</b>	1,948
Other staff costs		
– salaries and other benefits	<b>5,790</b>	2,444
– retirement benefits scheme contributions	<b>156</b>	104
	<u><b>5,946</b></u>	<u>2,548</u>
Total staff costs	<u><b>10,150</b></u>	<u>4,496</u>
Depreciation of property, plant and equipment	<b>440</b>	426
Cost of inventories recognised as expense	<u><b>–</b></u>	<u>48,177</u>

## 8 INCOME TAX EXPENSE

The amount of income tax expense charged to the condensed consolidated statement of comprehensive income represents:

	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>Unaudited</b>	Unaudited
Overseas jurisdictions – current tax for the period	<b>113</b>	–

For the six months ended 30 June 2015 and 2014, no provision for Hong Kong profits tax has been made in the condensed consolidated financial statements as the Group has no assessable profits in Hong Kong for both periods. Taxation for overseas jurisdictions is charged at the appropriate prevailing rates ruling in the respective jurisdictions and the maximum rate is 30% (six months ended 30 June 2014: Nil).

## 9 EARNINGS/(LOSSES) PER SHARE

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

	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>Unaudited</b>	Unaudited
<b>Profit/(loss) for the period attributable to owners of the Company</b>		
Profit/(loss) for the purposes of basic earnings/(losses) per share	<b>52,785</b>	(8,282)
<b>Effects of dilutive potential ordinary shares:</b>		
Interest on convertible bonds (net of tax)	<b>3,015</b>	–
<b>Profit/(loss) for the purposes of diluted earnings/(losses) per share</b>	<b>55,800</b>	(8,282)



	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b>'000</b>	<b>'000</b>
	<b>Unaudited</b>	Unaudited (Restated)
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic earnings/(losses) per share	<b>493,565</b>	168,565
Effects of dilutive potential ordinary shares:		
– convertible bonds	<u><b>159,000</b></u>	<u>–</u>
Weighted average number of ordinary shares for the purposes of diluted earnings/(losses) per share	<u><b>652,565</b></u>	<u>168,565</u>

The weighted average number of ordinary shares for the six months ended 30 June 2014 for the purpose of basic losses per share has been restated for the share consolidation on 11 September 2014 (see note 15(a) (i)).

## **10 DIVIDEND**

No interim dividend has been paid or declared during each of the periods ended 30 June 2015 and 2014.

## **11 TRADE AND OTHER RECEIVABLES**

	<b>As at</b>	As at
	<b>30 June</b>	31 December
	<b>2015</b>	2014
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>Unaudited</b>	Audited
Trade receivables from trading business ( <i>note (i)</i> )	<b>2,229</b>	7,464
Bills receivable from trading business ( <i>note (ii)</i> )	<b>1,874</b>	5,467
Advances to patrons ( <i>note (iii)</i> )	<b>113,998</b>	–
Other receivables		
– Prepayments	<b>1,256</b>	941
– Trade and other deposits paid	<u><b>25,769</b></u>	<u>11,676</u>
	<u><b>145,126</b></u>	<u>25,548</u>

*Notes:*

The Group generally allows credit periods of 30 to 180 days (31 December 2014: 30 to 180 days) to its trade customers from trading business and credit periods of 15 to 30 days to its patrons from entertainment and gaming business. The Group generally does not charge interest for credit granted and did not hold any collateral from the trade debtors and bills receivable from its trading business but requires a personal cheque or other acceptable forms of security from its patrons.

- (i) Trade debtors from trading business (net of impairment losses) with the following ageing analysis, based on invoice dates, as of the end of reporting period:

	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>Unaudited</b>	<b>Audited</b>
0 – 30 days	–	–
31 – 90 days	–	–
91 – 365 days	<b>2,229</b>	<b>7,464</b>
	<b><u>2,229</u></b>	<b><u>7,464</u></b>

- (ii) Bills receivable from trading business with the following ageing analysis, based on invoice dates, as of the end of reporting period:

	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>Unaudited</b>	<b>Audited</b>
0 – 30 days	–	–
31 – 90 days	–	–
91 – 365 days	<b>1,249</b>	<b>3,127</b>
Over 365 days	<b>625</b>	<b>2,340</b>
	<b><u>1,874</u></b>	<b><u>5,467</u></b>

- (iii) Advances to patrons with the following ageing analysis, based on the date of credit granted, as of the end of reporting period:

	As at 30 June 2015 <i>HK\$'000</i> Unaudited	As at 31 December 2014 <i>HK\$'000</i> Audited
0 – 30 days	17,849	–
31 – 90 days	9,512	–
91 – 180 days	86,637	–
	<u>113,998</u>	<u>–</u>

The Group closely monitors the granting of credit and periodically reviews the recoverability of each trade debt and each advance to patrons. None of the trade and bills receivables and advances to patrons that are neither past due nor impaired has any default payment history. Before accepting any new customer or patrons, the Group assesses the potential customer's or patron's credit quality and defines credit limits by customer or patron. Limits attributed to customers and patrons are reviewed periodically.

## 12 TRADE AND OTHER PAYABLES

	As at 30 June 2015 <i>HK\$'000</i> Unaudited	As at 31 December 2014 <i>HK\$'000</i> Audited
Trade payables from trading business ( <i>note (i)</i> )	177	177
Amounts due to casinos ( <i>note (ii)</i> )	1,490	–
Amounts due to patrons ( <i>note (iii)</i> )	50,606	–
Other payables and accruals	2,766	692
Accrued directors' remuneration	795	–
Trade deposits received	4,889	1,017
	<u>60,723</u>	<u>1,886</u>

Note:

- (i) Ageing analysis of the trade payables from trading business at the respective reporting dates are as follows:

	As at 30 June 2015 <i>HK\$'000</i> Unaudited	As at 31 December 2014 <i>HK\$'000</i> Audited
0 – 30 days	–	–
31 – 90 days	–	–
91 – 365 days	–	177
Over 365 days	177	–
	<u>177</u>	<u>177</u>

- (ii) Ageing analysis of the amounts due to casinos at the respective reporting dates are as follows:

	As at 30 June 2015 <i>HK\$'000</i> Unaudited	As at 31 December 2014 <i>HK\$'000</i> Audited
0 – 30 days	1,490	–

- (iii) Ageing analysis of the amounts due to patrons at the respective reporting dates are as follows:

	As at 30 June 2015 <i>HK\$'000</i> Unaudited	As at 31 December 2014 <i>HK\$'000</i> Audited
0 – 30 days	50,144	–
31 – 90 days	27	–
91 – 180 days	435	–
	<u>50,606</u>	<u>–</u>

### 13 AMOUNT DUE TO A NON-CONTROLLING INTEREST OF A SUBSIDIARY

The amount is unsecured, interest-free and has no fixed maturity date.

### 14 BORROWINGS

	As at 30 June 2015 <i>HK\$'000</i> Unaudited	As at 31 December 2014 <i>HK\$'000</i> Audited
Interest-bearing loans – current	<u>7,754</u>	<u>7,758</u>

*Note:*

Balance is unsecured, repayable within one year (31 December 2014: repayable within one year) and interest-bearing at 6% (31 December 2014: 6%) per annum.

The amount due is repayable by the scheduled repayment date in the loan agreement with no repayment on demand clause stated.

### 15 SHARE CAPITAL

	Number of shares	Nominal value <i>HK\$'000</i>
Ordinary shares of HK\$0.1 each		
<b>Authorised:</b>		
At 1 January 2014, 31 December 2014 and 30 June 2015	<u>20,000,000,000</u>	<u>2,000,000</u>
<b>Issued and fully paid:</b>		
At 1 January 2014 (par value of HK\$0.10 each)	842,824,000	84,283
Effect of Share Consolidation ( <i>note (a)(i)</i> )	(674,259,200)	–
Capital reduction ( <i>note (a)(ii)</i> )	–	(67,427)
Placing of new shares ( <i>note (b)</i> )	<u>325,000,000</u>	<u>32,500</u>
At 31 December 2014 and 30 June 2015 (par value of HK\$0.10 each)	<u>493,564,800</u>	<u>49,356</u>

*Notes:*

- (a) Pursuant to a special resolution passed at the Special General Meeting (“SGM”) of the Company held on 11 September 2014:
- (i) Every five issued shares of HK\$0.10 each were consolidated into one new share of HK\$0.50 each (the “**Share Consolidation**”). The consolidated shares after the Share Consolidation ranked pari passu in all respects with each other.
  - (ii) The par value of each issued ordinary share reduced from HK\$0.50 to HK\$0.10 by cancelling HK\$0.40 of the paid-up capital on each issued ordinary share such that the nominal value of each issued ordinary share be reduced from HK\$0.50 to HK\$0.10 (“**Capital Reduction**”).
  - (iii) The entire amount standing to the credit of the Company’s share premium account will be cancelled (“**Share Premium Reduction**”). Whereby the entire amount of the credit arising from the Capital Reduction and the Share Premium Reduction will be transferred to the contributed surplus account of the Company and the entire amount standing to the credit of the contributed surplus account of the Company will be applied to set off against part of the accumulated losses of the Company.
- (b) On 11 July 2014, the Company entered into a subscription agreement with then independent investors for the issuance of 325,000,000 new ordinary shares at HK\$0.35 per share, which is subject to the approval of the shareholders of the Company at the SGM. On 11 September 2014, a special resolution regarding to the subscription agreement was passed at the SGM of the Company and the transaction was completed on 19 September 2014. And these newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company in issue. Total proceeds from the placement are HK\$108,885,000 after the deduction of direct issue costs of HK\$4,865,000.

The excess of the gross proceeds of HK\$113,750,000 from the placement over the nominal value of the ordinary shares issued of HK\$32,500,000 amounting to HK\$81,250,000 has been recorded in the share premium account.

## **16 RELATED PARTY DISCLOSURES**

- (a) As at the end of the reporting period, amount due to a related company is unsecured, interest-free and repayable on demand.
- (b) The Directors consider that they are the only key management personnel of the Group. Remuneration paid to the Directors during the period is set out in note 7.

(c) During the period, the Group had the following transaction with a related party:

	<b>Six months ended 30 June</b>	
	<b>2015</b>	2014
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>Unaudited</b>	Unaudited
Rental expenses paid to a company which is significantly influenced by a Director	<b>851</b>	–

## **17 EVENTS AFTER THE REPORTING PERIOD**

On 20 July 2015, the Group entered into the contract of sale with a vendor, who is an independent third party, to purchase a property at a consideration of AUD2,000,000 (equivalent to approximately HK\$11,600,000). Details of the transaction can be referred to the announcement published by the Company dated 20 July 2015.

As at the date of this announcement, the above transaction has not been completed.

## MANAGEMENT DISCUSSION AND ANALYSIS

### **Business and Operational Review**

Turnover for the six months ended 30 June 2015 amounted to HK\$112.4 million (six months ended 30 June 2014: HK\$49.4 million). Profit attributable to the owners of the Company for the period amounted to HK\$52.8 million (six months ended 30 June 2014: loss of HK\$8.3 million). The profit for the six months ended 30 June 2015 was mainly attributable to the profit contributions from the Group's newly established entertainment and gaming business.

As at 30 June 2015, the Group's equity attributable to the owners of the Company amounted to HK\$198.0 million, representing an increase of HK\$53.3 million over the figure of HK\$144.7 million as at 31 December 2014. The net asset value per share attributable to the owners of the Company as at 30 June 2015 was approximately HK\$0.36 (31 December 2014: approximately HK\$0.29).

## SEGMENTAL ANALYSIS

### **Entertainment and Gaming**

With the commitment in diversifying business into entertainment and gaming industry to broaden the income sources, the Group has entered into junket arrangements with Crown Perth and NagaWorld Limited (“**NagaWorld**”) during the period under review, which enable the Group to tap the gaming promotion business in Australia and Cambodia respectively.

For the six months ended 30 June 2015, the Group generated revenue and gross profit in the amount of approximately HK\$112.4 million and HK\$60.6 million respectively from entertainment and gaming business.

#### ***Cooperation with Crown Perth in Australia***

The Group signed the junket arrangement with Crown Perth in February 2015 and immediately started the gaming promotion business in Crown Perth Casino since then. Under the junket arrangement, the Group assisted to promote approximately 8 to 10 gaming tables at the Crown Perth Casino, a licensed casino located in Perth, Western Australia which was



officially opened in 1985. Crown Perth Casino is solely owned and operated by Crown Perth, a subsidiary of Crown Resorts Limited (the “**Crown Group**”) which is a leading gaming and entertainment group based in Australia and also a fully-integrated entertainment precinct renowned for its world-class facilities, entertainment, premium restaurants and luxury accommodation.

Australia is a mature gaming market with casino legalized in 1970s. The junket arrangement with Crown Perth allows the Group to tap into prosperous overseas gaming market in Australia which is of good income potential. It also enables the Group to establish a long-term partnership with the Crown Group, a globally reputable casino operator, and thereby enhances the Group’s reputation and competitive position in the gaming industry.

### ***Cooperation with NagaWorld in Cambodia***

In May 2015, the Group entered into another junket arrangement with NagaWorld, an indirectly wholly-owned subsidiary of NagaCorp Ltd. (“**NagaCorp**”), to promote not less than 7 gaming tables within NagaWorld Casino, a licensed casino located in Phnom Penh, Cambodia which was opened in 1995 and has been developed into one of the finest integrated casino hotels and a renowned entertainment complex in Indochina. The cooperation allows the Group to continually develop its gaming promotion business with a more diversified portfolio of good income potential by tapping into the Cambodia’s gaming market and establishing a long term partnership with NagaCorp.

Under the leadership of a seasoned and energetic core management team, who collectively have over decades of experience in the gaming sector around the world, the Group was able to tap the gaming market in Australia and Cambodia by signing junket arrangements with world-leading casino operators in less than six-month time, demonstrating the Group’s strong capability to diversify its business and enhance its income stream. With the accomplishments made in first half of 2015, the Group is committed to further expanding into the gaming industry in the fast growing gaming markets, particularly in Asia, for bringing new momentum and income source to the Group.

## **Trading of chemical products, and energy conservation and environmental protection products**

During the period under review, the Group focused on the establishment and launch of its gaming promotion business and at the same time was exploring trading opportunities with a higher rate of return. For the six months ended 30 June 2015, no revenue nor gross profit from the trading business was therefore recognised compared with a revenue from trading business of HK\$49.4 million with a gross profit of HK\$1.2 million for the corresponding period in 2014.

## **MATERIAL ACQUISITION AND DISPOSAL**

There was no material acquisition and disposal during the six months ended 30 June 2015.

## **SUBSEQUENT EVENTS**

On 20 July 2015, the Group has entered into the contract of sale regarding the acquisition (the “**Acquisition**”) of the apartment in Burswood, Western Australia (the “**Property**”) at a consideration of AUD2,000,000 (equivalent to approximately HK\$11,600,000).

The Property will be served as a staff quarter for catering the Group’s expanding gaming promotion business and the increasing capacity of its operation in Western Australia. The Acquisition demonstrated the Group’s commitments in expanding its professional team and operation size of its gaming promotion business in Western Australia. It also allows the Group to have a better control on its operation expenses in the long run. The Acquisition shall be completed on or before 2 October 2015.

## **FUTURE PLANS AND PROSPECTS**

In the past few months, the Group has established its entertainment and gaming business through entering into the Crown Perth Junket Arrangement and the NagaWorld Junket Arrangement. The Group shall continue to explore the possibility of further extending its business into the gaming and entertainment market to further broaden its income sources. The Group’s management team has been further strengthened by the addition of three new executive Directors, namely Mr. Wong Kwok Leung Kennis, Mr. Wah Teik Hwai and Mr. Ng Kuen Hon, all of who have extensive experience in the entertainment and gaming industry. Under the leadership of an experienced and energetic core management team, we have full confidence we can steadily develop our business.

## **INTERIM DIVIDEND**

The Directors do not recommend any interim dividend for the six months ended 30 June 2015 (six months ended 30 June 2014: nil).

## **CAPITAL STRUCTURE**

As at 30 June 2015, the Company's equity attributable to its owners was approximately HK\$197,958,000 (31 December 2014: HK\$144,698,000). As at 30 June 2015, the short term and long term interest-bearing debts to equity holders of the Company was 0.04 (31 December 2014: 0.05).

## **LIQUIDITY AND FINANCIAL RESOURCES**

The Group generally finances its operation by internally generated cash flow.

Prudent financial management and selective investment criteria have enabled the Group to maintain a stable financial position. As at 30 June 2015, the Group's cash balances amounted to approximately HK\$142,456,000 (31 December 2014: approximately HK\$157,053,000).

As at 30 June 2015, the current ratio was approximately 3.74 (31 December 2014: approximately 18.85) based on total current assets of approximately HK\$287,582,000 (31 December 2014: approximately HK\$182,601,000) and total current liabilities of approximately HK\$76,905,000 (31 December 2014: approximately HK\$9,686,000).

## **EXPOSURE TO FLUCTUATION IN EXCHANGE RATES**

Most of the Group's assets, liabilities and business transactions are denominated in Hong Kong dollars, Renminbi, Australian dollars and United States dollars which have been relatively stable during the period. The Group was not exposed to material foreign exchange risk and had not employed any financial instruments for hedging purposes.

## **EMPLOYEES AND REMUNERATION POLICIES**

As at 30 June 2015, the Group employed 19 (30 June 2014: 12) employees in Hong Kong. The Group's remuneration policies are primarily based on prevailing market salary levels and the performance of the respective companies and individuals concerned. Employees may also be invited to participate in the Share Option Scheme of the Group.

## **SHARE OPTION SCHEME**

The Company adopted a share option scheme on 1 June 2012 ("**Share Option Scheme**"). No options have been granted under the Share Option Scheme since its adoption.

## **AUDIT COMMITTEE**

The audit committee, comprising all the three independent non-executive Directors, has discussed with the management and external auditors of the Company the accounting principles and practices adopted by the Group and the condensed consolidated financial statements of the Group for the six months ended 30 June 2015, and is of the opinion that the preparation of the condensed consolidated financial statements has complied with the applicable accounting standards, the Listing Rules and legal requirements, and that adequate disclosures have been made.

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

During the six months ended 30 June 2015, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company.

## **CORPORATE GOVERNANCE PRACTICES**

The Company recognises the importance of maintaining a high standard of corporate governance with an aim to protect the interests of shareholders of the Company.

The Company has adopted the Corporate Governance Code (the “Code”) as set out in Appendix 14 of the Listing Rules on the Stock Exchange including those revised code provisions which became effective on 1 April 2012 and 1 September 2013. During the period ended 30 June 2015, the Company complied with all applicable provisions of the Code for their respective applicable periods except for deviation as stated below:–

#### **Code Provision A.6.7**

Under code provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders. Due to other pre-arranged commitments, one of the independent non-executive directors was unable to attend the Company’s annual general meeting held on 23 June 2015.

#### **Code Provision E.1.2**

Under code provision E.1.2, the chairman of the board should attend the annual general meeting. Due to other pre-arranged commitments, the chairman of the Board was unable to attend the Company’s annual general meeting held on 23 June 2015.

### **DIRECTORS’ SECURITIES TRANSACTIONS**

The Company has adopted a code of conduct regarding Directors’ securities transactions with terms no less exacting than the required standard of dealings as set out in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with said code of conduct and the required standard of dealings and its code of conduct regarding securities transactions by the Directors throughout the six months ended 30 June 2015.

## **PUBLICATION OF OTHER FINANCIAL INFORMATION**

Other financial information containing all of the information required by Appendix 16 of the Listing Rules will be available on the websites of the Stock Exchange at [www.hkex.com.hk](http://www.hkex.com.hk) and the Company at [www.aplushk.com/clients/1159](http://www.aplushk.com/clients/1159) in due course.

## **APPRECIATION**

On behalf of the Board, I would like to thank all our colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all our shareholders, customers, business partners, bankers and other business associates for their trust and support.

By order of the Board  
**Jimei International Entertainment Group Limited**  
**Dr. Lam Yin Lok**  
*Chairman*

Hong Kong, 14 August 2015

*As at the date of this announcement, our executive Directors are Dr. Lam Yin Lok, Mr. Wong Kwok Leung Kennis, Mr. Wah Teik Hwai, Mr. Ng Kuen Hon, Mr. Hung Ching Fung and Mr. Chau Chit; and our independent non-executive Directors are Mr. Daniel Domingos António, Mr. Kwok Chi Chung and Mr. Chow Wing Tung.*