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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 2016**

**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 interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 30 June 2016, together with the comparative figures for the corresponding period in 2015 as follows:

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME**

*For the six months ended 30 June 2016*

		<b>Six months ended 30 June</b>	
		<b>2016</b>	<b>2015</b>
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
		<b>Unaudited</b>	<b>Unaudited</b>
Revenue	5	<b>132,728</b>	112,367
Cost of goods sold and services provided		<b>(72,136)</b>	(51,792)
<b>Gross profit</b>		<b>60,592</b>	60,575
Other revenue		<b>5,526</b>	5
Operating expenses		<b>(3,023)</b>	(2,928)
Administrative expenses		<b>(20,317)</b>	(19,736)
Impairment loss on trade and other receivables		<b>(56,338)</b>	–
Gain on change in fair value of derivative financial liabilities		<b>68,721</b>	–
Finance costs	6	<b>(32,125)</b>	(3,249)

		<b>Six months ended 30 June</b>	
		<b>2016</b>	2015
	<i>Notes</i>	<b>HK\$'000</b>	<i>HK\$'000</i>
		<b>Unaudited</b>	Unaudited
<b>Profit before taxation</b>	7	<b>23,036</b>	34,667
Income tax expense	8	<u>(214)</u>	<u>(113)</u>
<b>Profit for the period</b>		<u><b>22,822</b></u>	<u>34,554</u>
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange difference on translating of foreign operations		(6)	(41)
(Decrease)/increase in fair value of available-for-sale investments		<u>(3,027)</u>	<u>516</u>
<b>Other comprehensive income for the period, net of tax</b>		<u>(3,033)</u>	<u>475</u>
<b>Total comprehensive income for the period</b>		<u><b>19,789</b></u>	<u>35,029</u>
<b>Profit/(loss) for the period, attributable to:</b>			
– Owners of the Company		<b>28,550</b>	52,785
– Non-controlling interests		<u>(5,728)</u>	<u>(18,231)</u>
		<u><b>22,822</b></u>	<u>34,554</u>
<b>Total comprehensive income for the period, attributable to:</b>			
– Owners of the Company		<b>25,517</b>	53,260
– Non-controlling interests		<u>(5,728)</u>	<u>(18,231)</u>
		<u><b>19,789</b></u>	<u>35,029</u>
<b>Earnings/(loss) per share</b>			
	9		
– Basic		<u><b>HK cents 5.78</b></u>	<u>HK cents 10.69</u>
– Diluted		<u><b>HK cents (1.14)</b></u>	<u>HK cents 8.55</u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2016

	<i>Notes</i>	As at 30 June 2016 <i>HK\$'000</i> Unaudited	As at 31 December 2015 <i>HK\$'000</i> Audited
<b>Non-current assets</b>			
Property, plant and equipment		14,001	14,490
Available-for-sale investments		8,184	5,936
		<u>22,185</u>	<u>20,426</u>
<b>Current assets</b>			
Trade and other receivables	11	250,802	217,166
Bank balances and cash		185,319	316,193
		<u>436,121</u>	<u>533,359</u>
<b>Current liabilities</b>			
Trade and other payables	12	25,666	93,836
Amount due to a related company	13	2,519	2,519
Amount due to a non-controlling interest of a subsidiary	14	20,900	20,900
Borrowings	15	9,220	7,220
Derivative financial liabilities		26,760	95,481
Current tax liabilities		1,182	987
		<u>86,247</u>	<u>220,943</u>
<b>Net current assets</b>		<u>349,874</u>	<u>312,416</u>
<b>Total assets less current liabilities</b>		<u>372,059</u>	<u>332,842</u>
<b>Non-current liabilities</b>			
Convertible bonds		234,022	214,594
<b>Net assets</b>		<u>138,037</u>	<u>118,248</u>
<b>EQUITY</b>			
Share capital	16	49,356	49,356
Reserves		127,091	101,574
		<u>176,447</u>	<u>150,930</u>
Equity attributable to owners of the Company		176,447	150,930
Non-controlling interests		(38,410)	(32,682)
<b>Total equity</b>		<u>138,037</u>	<u>118,248</u>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2016

	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	Retained earnings/ (Accumulated losses) HK\$'000	Equity attributable to owners of the Company HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 January 2016	49,356	76,385	1,564	-	702	20,427	(1,349)	3,845	150,930	(32,682)	118,248
Profit/(Loss) for the period	-	-	-	-	-	-	-	28,550	28,550	(5,728)	22,822
Exchange difference on translating of foreign operations	-	-	-	-	-	-	(6)	-	(6)	-	(6)
Decrease in fair value of available-for-sale investments	-	-	-	-	(3,027)	-	-	-	(3,027)	-	(3,027)
Total comprehensive income for the period	-	-	-	-	(3,027)	-	(6)	28,550	25,517	(5,728)	19,789
At 30 June 2016 (Unaudited)	<u>49,356</u>	<u>76,385</u>	<u>1,564</u>	<u>-</u>	<u>(2,325)</u>	<u>20,427</u>	<u>(1,355)</u>	<u>32,395</u>	<u>176,447</u>	<u>(38,410)</u>	<u>138,037</u>
At 1 January 2015	49,356	76,385	1,564	(123)	2,096	20,427	(241)	(4,766)	144,698	-	144,698
Profit/(Loss) for the period	-	-	-	-	-	-	-	52,785	52,785	(18,231)	34,554
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
Transfer of special reserve to retained earnings upon disposal of subsidiaries	-	-	-	123	-	-	-	(123)	-	-	-
Capital injection from a non-controlling interest of a subsidiary	-	-	-	-	-	-	-	-	-	39	39
At 30 June 2015 (Unaudited)	<u>49,356</u>	<u>76,385</u>	<u>1,564</u>	<u>-</u>	<u>2,612</u>	<u>20,427</u>	<u>(282)</u>	<u>47,896</u>	<u>197,958</u>	<u>(18,192)</u>	<u>179,766</u>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2016

	Six months ended 30 June	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Net cash used in operating activities	(114,991)	(19,365)
Net cash used in investing activities	(5,305)	(179)
Net cash (used in)/generated from financing activities	<u>(10,600)</u>	<u>4,939</u>
Net decrease in cash and cash equivalents	(130,896)	(14,605)
Cash and cash equivalents at beginning of the period	316,193	157,053
Effect of exchange rate changes on cash and cash equivalents	<u>22</u>	<u>8</u>
Cash and cash equivalents at end of the period, represented by bank balances and cash	<u><u>185,319</u></u>	<u><u>142,456</u></u>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2016*

## 1. GENERAL

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. 3910-11, 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 unaudited condensed consolidated financial statements for the six months ended 30 June 2016 have been prepared in accordance with the applicable disclosure requirements of the Appendix 16 of the Rules Governing the Listing Rules 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 unaudited 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 2015 dated 31 March 2016 (the “**2015 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 unaudited condensed consolidated financial statements for the six months ended 30 June 2016 have been prepared in accordance with the same accounting policies adopted in the 2015 Annual Financial Statements.

The unaudited condensed consolidated financial statements 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 unaudited condensed consolidated financial statements:

HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
HKFRS 14	Regulatory Deferral Accounts

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

#### *Annual Improvements 2012-2014 Cycle*

The amendments to HKFRS 5 introduce specific guidance in HKFRS 5 for when an entity reclassifies an asset (or disposal group) from held for sale to held for distribution to owners (or vice versa), or when held-for-distribution accounting is discontinued. The amendments apply prospectively.

The adoption of the amendments to HKFRS 5 has no impact on these financial statements as the Group does not have any asset (or disposal group) classified as held for sale or as held for distribution to owners.

The amendments to HKFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of the disclosures required in relation to transferred assets and clarify that the offsetting disclosures (introduced in the amendments to HKFRS 7 Disclosure – Offsetting Financial Assets and Financial Liabilities issued in December 2011 and effective for periods beginning on or after 1 January 2013) are not explicitly required for all interim periods. However, the disclosures may need to be included in unaudited condensed interim financial statements to comply with HKAS 34 Interim Financial Reporting.

The amendments to HKAS 19 clarify that the high quality corporate bonds used to estimate the discount rate for post-employment benefits should be issued in the same currency as the benefits to be paid. These amendments would result in the depth of the market for high quality corporate bonds being assessed at currency level. The amendments apply from the beginning of the earliest comparative period presented in the financial statements in which the amendments are first applied. Any initial adjustment arising should be recognised in retained earnings at the beginning of that period. The adoption of the amendments has no impact on these financial statements as the Group has no post-employment benefits.

The amendments to HKAS 34 clarify the requirements relating to information required by HKAS 34 that is presented elsewhere within the interim financial report but outside the interim financial statements. The amendments require that such information be incorporated by way of a cross reference from the interim financial statements to the other part of the interim financial report that is available to users on the same terms and at the same time as the interim financial statements.

#### ***Amendments to HKAS 1 – Disclosure Initiative***

The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements. An entity's share of other comprehensive income from equity accounted interests in associates and joint ventures will be split between those items that will and will not be reclassified to profit or loss, and presented in aggregate as a single line item within those two groups.

#### ***Amendments to HKAS 16 and HKAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation***

The amendments to HKAS 16 prohibit the use of a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that amortisation based on revenue is not appropriate for intangible assets. This presumption can be rebutted if either the intangible asset is expressed as a measure of revenue or revenue and the consumption of the economic benefits of the intangible asset are highly correlated.



***Amendments to HKFRS 10, HKFRS 12 and HKAS 28 – Investment Entities: Applying the Consolidation Exception***

The amendments clarify that the exemption from preparing unaudited condensed consolidated financial statements for an intermediate parent entity is available to a subsidiary of an investment entity (including investment entities that account for their subsidiaries at fair value rather than consolidating them). An investment entity parent will consolidate a subsidiary only when the subsidiary is not itself an investment entity and the subsidiary's main purpose is to provide services that relate to the investment entity's investment activities. A non-investment entity applying the equity method to an associate or joint venture that is an investment entity may retain the fair value measurements that associate or joint venture used for its subsidiaries. An investment entity that prepares financial statements in which all its subsidiaries are measured at fair value through profit or loss should provide the disclosures related to investment entities as required by HKFRS 12.

**(b) New/revised HKFRSs that have been issued but are not yet effective**

The Group has not early applied the following revised standards, amendments and interpretations that have been issued, potentially relevant to the Group, but are not yet effective.

HKFRS 9 (2014)	Financial Instruments <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>1</sup>
HKFRS 16	Leases <sup>2</sup>

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

<sup>2</sup> *Effective for annual periods beginning on or after 1 January 2019*

The Group has not early applied the above new or revised standards, amendments or interpretations in preparation of the unaudited condensed consolidated financial statements. The Group has already commenced an assessment of 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 unaudited condensed consolidated financial statements will be resulted.

#### 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 (the "fair value hierarchy"):

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

As at 30 June 2016, the financial assets and liabilities measured at fair value in the statement of financial position are grouped into the fair value hierarchy as follows:

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>Asset</b>				
Available-for-sale investments	8,184	–	–	8,184
<b>Liability</b>				
Derivative financial liabilities	–	–	(26,760)	(26,760)
Net fair values	<u>8,184</u>	<u>–</u>	<u>(26,760)</u>	<u>(18,576)</u>

There have been no transfers between the levels during the reporting period. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting periods.

### **Information about Level 1 fair value measurement**

Available-for-sale investments which are measured subsequently to initial recognition at fair value, representing the Group's investments in listed securities in Hong Kong, amounted to HK\$8,184,000 (31 December 2015: HK\$5,936,000), is based on Level 1 measurement which is determined by quoted prices in active markets.

### **Information about Level 3 fair value measurement**

The fair value of derivative financial instrument is determined using binomial option pricing model and the significant unobservable input used in the fair value measurement is the expected volatility. The fair value measurement is positively correlated to the expected volatility. As at 30 June 2016, it is estimated that while all other variables held constant, an increase in the expected volatility by 5% would have decreased the Group's profit by HK\$4,038,000 (31 December 2015: increase the Group's loss by HK\$6,990,000) while a decrease in the expected volatility by 5% would have increased the Group's profit by HK\$5,807,000 (31 December 2015: decrease the Group's loss by HK\$7,147,000) for the derivative component of Convertible Bond.

Significant inputs as follows:

#### ***Derivative financial liability – Convertible Bond derivative component***

Underlying stock price	HK\$2.39 per share
Conversion price	HK\$5 per share
Risk-free rate	0.469%
Expected volatility	57.7%
Expected dividend yield	–
Discount rate	7.98%

## **5. SEGMENTAL INFORMATION**

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker (“CODM”) that are used to make strategic decisions.

The Group has two reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- Entertainment and gaming business – receiving commission and services income from casino entertainment and gaming promotion services; and
- Chemical products, and energy conservation and environmental protection products – trading of chemical products, and energy conservation and environmental protection products.

## Segment revenue, results, assets and liabilities

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

For the six months ended 30 June 2016 (unaudited)

	<b>Entertainment and gaming business segment HK\$'000</b>	<b>Chemical products, and energy conservation and environmental protection products segment HK\$'000</b>	<b>Total HK\$'000</b>
<b>Revenue – External sales</b>	<b><u>130,591</u></b>	<b><u>2,137</u></b>	<b><u>132,728</u></b>
Segment profit/(loss)	52,263	(1,259)	51,004
<b>Unallocated income/(expense) items:</b>			
Central administration costs and directors' salaries *			(13,240)
Other revenue			5,014
Gain on change in fair value of derivative financial liabilities			68,721
Impairment loss on trade and other receivables			(56,338)
Finance costs ( <i>note 6</i> )			<u>(32,125)</u>
Profit before taxation			<b><u>23,036</u></b>
<b>Segment Assets</b>	<b><u>337,845</u></b>	<b><u>15,423</u></b>	<b><u>353,268</u></b>
<b>Segment Liabilities</b>	<b><u>44,242</u></b>	<b><u>4,917</u></b>	<b><u>49,159</u></b>

\* *The costs mainly represent directors' remuneration, staff costs in Hong Kong, entertainment costs, legal and professional fees, rental expenses incurred by the Company for central administrative function.*

**For the six months ended 30 June 2015 (unaudited)**

	Entertainment and gaming business segment <i>HK\$'000</i>	Chemical products, and energy conservation and environmental protection products segment <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Revenue – External sales</b>	<u>112,367</u>	<u>–</u>	<u>112,367</u>
Segment profit/(loss)	55,420	(1,711)	53,709
<b>Unallocated income/(expense) items:</b>			
Central administration costs and directors' salaries *			(15,798)
Other revenue			5
Finance costs ( <i>note 6</i> )			<u>(3,249)</u>
Profit before taxation			<u>34,667</u>
<b>Segment Assets</b>	<u>188,092</u>	<u>23,706</u>	<u>211,798</u>
<b>Segment Liabilities</b>	<u>63,504</u>	<u>5,397</u>	<u>68,901</u>

\* *The costs mainly represent directors' remuneration, staff costs in Hong Kong, entertainment costs, legal and professional fees, rental expenses incurred by the Company for central administrative function.*

Segment result represents profit/(loss) 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 <b>30 June</b> <b>2016</b> <i>HK\$'000</i> <b>Unaudited</b>	As at 31 December 2015 <i>HK\$'000</i> Audited
<b>Assets</b>		
Segment assets	353,268	287,247
Bank balances and cash	93,957	257,702
Available-for-sale investments	8,184	5,936
Other unallocated assets	2,897	2,900
	<hr/>	<hr/>
Consolidated assets	<b>458,306</b>	<b>553,785</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities</b>		
Segment liabilities	49,159	116,127
Convertible bonds	234,022	214,594
Derivative financial liabilities	26,760	95,481
Borrowings	9,220	7,220
Other unallocated liabilities	1,108	2,115
	<hr/>	<hr/>
Consolidated liabilities	<b>320,269</b>	<b>435,537</b>
	<hr/> <hr/>	<hr/> <hr/>

## Other segment information

For the six months ended 30 June 2016 (unaudited)

	Entertainment and gaming business segment <i>HK\$'000</i>	Chemical products, and energy conservation and environmental protection products segment <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	4	10	104	118
Depreciation of property, plant and equipment	149	191	261	601
Impairment loss on trade and other receivables	55,307	1,031	–	56,338
Gain on change in fair value of derivative financial liabilities	–	–	68,721	68,721
Finance costs	–	–	32,125	32,125
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

For the six months ended 30 June 2015 (unaudited)

	Entertainment and gaming business segment <i>HK\$'000</i>	Chemical products, and energy conservation and environmental protection products segment <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>

### Geographical information

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

The following table provides an analysis of revenue from external customers derived from operations in 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>2016</b>	<b>2015</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b>Unaudited</b>	<b>Unaudited</b>
Hong Kong	–	–
Australia	<b>127,663</b>	136,612
Kingdom of Cambodia	<b>2,928</b>	(24,245)
PRC	<b>2,137</b>	–
	<b><u>132,728</u></b>	<b><u>112,367</u></b>

	<b>Non-current assets</b>	
	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>31 December</b>
	<b>2016</b>	<b>2015</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b>Unaudited</b>	<b>Audited</b>
Hong Kong	<b>1,662</b>	1,821
Australia	<b>11,964</b>	12,093
Kingdom of Cambodia	<b>92</b>	108
PRC	<b>283</b>	468
	<b><u>14,001</u></b>	<b><u>14,490</u></b>

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

## 6. FINANCE COSTS

	Six months ended 30 June	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Effective interests on borrowings wholly repayable within five years:		
Convertible bonds	32,027	3,015
Borrowings	98	234
	<u>32,125</u>	<u>3,249</u>

## 7. PROFIT BEFORE TAXATION

	Six months ended 30 June	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Profit before taxation for the period is arrived at after charging:		
Directors' remuneration	4,533	4,204
Other employee costs		
– Salaries and other benefits	10,028	5,790
– Retirement benefits scheme contribution	213	156
	<u>10,241</u>	<u>5,946</u>
Total employee costs	<u>14,774</u>	<u>10,150</u>
Depreciation of property, plant and equipment	601	440
Cost of inventories recognised as expense	1,999	–
Impairment loss on trade and other receivables	56,338	–
	<u>56,338</u>	<u>–</u>

## 8. INCOME TAX EXPENSE

The amount of taxation in the unaudited condensed consolidated statement of comprehensive income represents:

	Six months ended 30 June	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	Unaudited	Unaudited
Current tax for the period		
– Australian income tax	183	113
– Kingdom of Cambodia tax on profits	31	–
	<hr/>	<hr/>
Income tax expense	<b>214</b>	<b>113</b>
	<hr/> <hr/>	<hr/> <hr/>

Australian income tax has been provided at the rate of 30% (30 June 2015: 30%) on the estimated assessable profits for the period.

Under the Cambodian law on Taxation and Prakas of Tax on Profit, the standard tax on profit rate in Kingdom of Cambodia is 20% (30 June 2015: 20%) for the period.

For the six months ended 30 June 2016 and 2015, no provision for Hong Kong Profits Tax has been made as the Group has no assessable income derived from Hong Kong.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, tax rate of the PRC subsidiaries is 25% for both periods.

## 9. EARNINGS/(LOSS) PER SHARE

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

	<b>Six months ended 30 June</b>	
	<b>2016</b>	2015
	<b>HK\$'000</b>	HK\$'000
	<b>Unaudited</b>	Unaudited
<b>Earnings</b>		
Profit for the purpose of basic earnings per share	<b>28,550</b>	52,785
Effects of dilutive potential ordinary shares:		
Gain on change in fair value of derivatives component of convertible bonds	<b>(68,721)</b>	–
Interest on convertible bonds (net of tax)	<b>32,027</b>	3,015
	<u>          </u>	<u>          </u>
(Loss)/profit for the purpose of diluted (losses)/earnings per share	<b><u>(8,144)</u></b>	<b><u>55,800</u></b>

	<b>Six months ended 30 June</b>	
	<b>2016</b>	2015
	<b>'000</b>	'000
	<b>Unaudited</b>	Unaudited
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>493,565</b>	493,565
Effect of dilutive potential ordinary shares:		
– Convertible bonds	<b>222,000</b>	159,000
	<u>          </u>	<u>          </u>
Weighted average number of ordinary shares for the purpose of diluted (losses)/earnings per share	<b><u>715,565</u></b>	<b><u>652,565</u></b>

## 10. DIVIDENDS

No interim dividend has been paid or declared during each of the periods ended 30 June 2016 and 2015.

## 11. TRADE AND OTHER RECEIVABLES

	As at 30 June 2016 <i>HK\$'000</i> Unaudited	As at 31 December 2015 <i>HK\$'000</i> Audited
Trade debtors ( <i>notes (i)</i> )	5,937	4,701
Bills receivable from trading business ( <i>notes (ii)</i> )	–	1,077
Advances to patrons ( <i>note (iii)</i> )	232,419	195,406
Amounts due from casino ( <i>note (iv)</i> )	10,350	14,408
Other receivables		
– Prepayments	646	651
– Trade and other deposits paid	1,450	923
	<u>250,802</u>	<u>217,166</u>

The Group generally allows credit periods of 30 days to 180 days (31 December 2015: 30 to 180 days) to its trade debtors and credit period of 180 days (31 December 2015: 15 days to 90 days) to its patrons from entertainment and gaming business. The Group generally does not charge interest for credit granted. The Group does not hold any collateral from the trade debtors in trading business but may require personal cheque or other acceptable forms of security from patrons.

Notes:

- (i) Trade debtors with the following ageing analysis, based on invoice dates, as of the end of reporting period:

	As at <b>30 June</b> <b>2016</b> <i>HK\$'000</i> <b>Unaudited</b>	As at 31 December 2015 <i>HK\$'000</i> Audited
0 to 30 days	2,597	2,853
31 to 90 days	–	–
91 to 365 days	3,340	793
Over 1 year	<u>1,031</u>	<u>1,055</u>
	<b>6,968</b>	4,701
Impairment loss on trade and other receivables	<u>(1,031)</u>	–
	<b><u>5,937</u></b>	<b><u>4,701</u></b>

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

	As at <b>30 June</b> <b>2016</b> <i>HK\$'000</i> <b>Unaudited</b>	As at 31 December 2015 <i>HK\$'000</i> Audited
0 to 30 days	–	–
31 to 90 days	–	360
91 to 365 days	<u>–</u>	<u>717</u>
	<b><u>–</u></b>	<b><u>1,077</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 <b>30 June</b> <b>2016</b> <i>HK\$'000</i> <b>Unaudited</b>	As at 31 December 2015 <i>HK\$'000</i> Audited
0 to 30 days	<b>30,547</b>	61,817
31 to 90 days	<b>84,763</b>	26,165
91 to 365 days	<b>172,416</b>	122,837
	<b>287,726</b>	210,819
Impairment loss on trade and other receivables	<b>(55,307)</b>	(15,413)
	<b>232,419</b>	195,406

- (iv) Amounts due from casino with the following ageing analysis, based on the date of credit granted, as of the end of reporting period:

	As at <b>30 June</b> <b>2016</b> <i>HK\$'000</i> <b>Unaudited</b>	As at 31 December 2015 <i>HK\$'000</i> Audited
0 to 30 days	<b>10,350</b>	14,408

The Group closely monitors the granting of credit and periodically reviews the recoverability of each trade debt and each advance to patrons. Before accepting any new customer or patron, the Group assesses the potential customer's credit quality and determines credit limits by customer. Limits attributed to customers and patrons are reviewed periodically. Management considers that these third parties have sufficient financial capacity to repay.

## 12. TRADE AND OTHER PAYABLES

	As at 30 June 2016 <i>HK\$'000</i> Unaudited	As at 31 December 2015 <i>HK\$'000</i> Audited
Trade payables ( <i>note (i)</i> )	734	596
Amounts due to casinos ( <i>note (ii)</i> )	17,686	13,890
Amounts due to patrons ( <i>note (iii)</i> )	316	70,538
Other payables and accruals	2,814	4,938
Trade deposits received	4,116	3,874
	<u>25,666</u>	<u>93,836</u>

### Notes:

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

	As at 30 June 2016 <i>HK\$'000</i> Unaudited	As at 31 December 2015 <i>HK\$'000</i> Audited
0 to 30 days	151	–
31 to 90 days	–	–
91 to 365 days	526	538
Over 1 year	57	58
	<u>734</u>	<u>596</u>



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

	As at <b>30 June</b> <b>2016</b> <i>HK\$'000</i> <b>Unaudited</b>	As at 31 December 2015 <i>HK\$'000</i> Audited
0 to 30 days	15,336	10,883
31 to 90 days	941	2,891
91 to 365 days	<u>1,409</u>	<u>116</u>
	<b><u>17,686</u></b>	<b><u>13,890</u></b>

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

	As at <b>30 June</b> <b>2016</b> <i>HK\$'000</i> <b>Unaudited</b>	As at 31 December 2015 <i>HK\$'000</i> Audited
0 to 30 days	271	40,266
31 to 90 days	18	8,716
91 to 365 days	<u>27</u>	<u>21,556</u>
	<b><u>316</u></b>	<b><u>70,538</u></b>

### 13. AMOUNT DUE TO A RELATED COMPANY

The amount due to a related company is unsecured, interest free and repayable on demand.

### 14. AMOUNT DUE TO A NON-CONTROLLING INTEREST OF A SUBSIDIARY

The amount due to a non-controlling interest of a subsidiary is unsecured, interest free and repayable on demand.

## 15. BORROWINGS

	As at 30 June 2016 <i>HK\$'000</i> Unaudited	As at 31 December 2015 <i>HK\$'000</i> Audited
<b>Unsecured other loans</b>		
– Interest-bearing loan ( <i>note i</i> )	4,500	2,500
– Non-interest bearing loan ( <i>note ii</i> )	4,720	4,720
	<u>9,220</u>	<u>7,220</u>

### Notes:

- (i) The interest-bearing loans of HK\$4,500,000 at 30 June 2016 are repayable by December 2016. Interest is charged at 6% per annum.
- (ii) The non-interest bearing loan of HK\$4,720,000 at 30 June 2016 is immediately due.

At 30 June 2016, total other loans were scheduled to repay as follows:

	As at 30 June 2016 <i>HK\$'000</i> Unaudited	As at 31 December 2015 <i>HK\$'000</i> Audited
<b>Within one year</b>	<u>9,220</u>	<u>7,220</u>

The amounts due are repayable by the scheduled repayment date in the loan agreements with no repayment on demand clause.

## 16. SHARE CAPITAL

	Number of shares	Nominal value <i>HK\$'000</i>
Ordinary shares of HK\$0.1 each		
<b>Authorised:</b>		
At 1 January 2015, 31 December 2015 and 30 June 2016	<u>20,000,000,000</u>	<u>2,000,000</u>
<b>Issued and fully paid:</b>		
At 1 January 2015, 31 December 2015 and 30 June 2016 (par value of HK\$0.10 each)	<u>493,564,800</u>	<u>49,356</u>

## 17. RELATED PARTY DISCLOSURES

During the period and as at the end of the reporting period, the Group had the following transactions and balance respectively with related parties. These transactions do not constitute either discloseable connected transaction or continuous connected transaction as defined under Chapter 14A of the Listing Rules.

### (i) Particulars of rental expenses paid to related parties

	Six months ended 30 June	
	2016 <i>HK\$'000</i> Unaudited	2015 <i>HK\$'000</i> Unaudited
A related company	<u>–</u>	<u>851</u>
A director and the beneficial owner of the controlling shareholder	<u>180</u>	<u>–</u>

(ii) **Key management compensation**

The remuneration of the key management of the Group during the period was as follows:

	<b>Six months ended 30 June</b>	
	<b>2016</b>	<b>2015</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b>Unaudited</b>	<b>Unaudited</b>
Short-term benefits	<b>4,516</b>	4,195
Retirement benefits scheme contributions	<b>17</b>	9
	<b><u>4,533</u></b>	<b><u>4,204</u></b>

The remuneration of directors and other members of key management is determined by the board of directors having regard to the performance of individual and market trends.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business and Operational Review

Turnover for the six months ended 30 June 2016 amounted to HK\$132.7 million (six months ended 30 June 2015: HK\$112.4 million). Profit attributable to the owners of the Company for the period amounted to HK\$28.6 million (six months ended 30 June 2015: HK\$52.8 million). The decrease in profit of approximately HK\$24,200,000 was mainly attributable to the increase in finance costs of approximately HK\$28,900,000 during the period. Other factors affecting the amount of profits for the period includes the impairment loss on trade and other receivables of approximately HK\$56.3 million and the gain on change in fair value of derivative financial liabilities of approximately HK\$68.7 million.

Basic earnings per share for the period amounted to approximately 5.78 HK cents (six months ended 30 June 2015: 10.69 HK cents).

As at 30 June 2016, the Group's equity attributable to the owners of the Company amounted to HK\$176.4 million, representing an increase of HK\$25.5 million over the figure of HK\$150.9 million as at 31 December 2015. The net asset value per share attributable to the owners of the Company as at 30 June 2016 was approximately HK\$0.36 (31 December 2015: approximately HK\$0.31).

### 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, NagaWorld and The Star since last year, which enable the Group to tap into the gaming promotion business in Australia and Cambodia respectively.

For the six months ended 30 June 2016, the Group generated revenue and gross profit in the amount of approximately HK\$130.6 million (six months ended 30 June 2015: HK\$112.4 million) and HK\$60.5 million (six months ended 30 June 2015: 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 has 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 legalised 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.

### ***Cooperation with The Star in Australia***

In November 2015, the Group signed the junket arrangement with The Star, to promote not less than 6 gaming tables within The Star Casino, a licensed casino located in Sydney, New South Wales, Australia solely owned and operated by The Star. Through cooperation, the Group can continually develop its gaming promotion business through a more diversified portfolio of good income potential by tapping the Australian gaming market and establishing a long term partnership with The Star.

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 could tap into the gaming markets in Australia and Cambodia by signing junket arrangements with world-leading casino operators within one year, demonstrating its strong capability to diversify its business and enhance its revenue stream.

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

During the six months ended 30 June 2016, the Group has continued to implement a tighter credit control policy towards its trading businesses, its chemical products business, and energy conservation and environmental protection products business. As a result, the Group's revenue amounted to HK\$2,137,000 (six months ended 30 June 2015: HK\$Nil), with a gross profit of HK\$138,000 (six months ended 30 June 2015: HK\$Nil).

## **MATERIAL ACQUISITION AND DISPOSAL**

There was no material acquisition and disposal during the six months ended 30 June 2016.

## **FUTURE PLANS AND PROSPECTS**

During the six months ended 30 June 2016, the Group has sustained growth in its entertainment and gaming business through the Crown Perth Junket Arrangement, the NagaWorld Junket Arrangement and the Star Junket Arrangement. The Group shall continue to explore the possibility of further extending its business to further broaden its income sources. Under the leadership of an experienced and energetic core management team, the management of the Group has full confidence in developing the business steadily.

The Group shall strive to take a prudent approach in business development to safeguard a higher shareholder's return.

In the long run, it is the Group's intention to diversify its business activities. On 17 March 2016, the Company has entered into a Framework Agreement with two Independent Third Parties in relation to a possible development project in Cambodia. The Company and one of the Independent Third Parties intend to establish a JV Company, the principal business activity of which is the development of an entertainment complex, including property, hotel, golf course, theme park and other entertainment and tourism business in Cambodia and the other Independent Third Party intends to provide engineering, construction and consultancy services to the JV Company. The Group is eager for exploration of prosperous business opportunities with sustainable development.

## **INTERIM DIVIDEND**

The Directors do not recommend any interim dividend for the six months ended 30 June 2016 (six months ended 30 June 2015: nil).

## **CAPITAL STRUCTURE**

As at 30 June 2016, the Company's equity attributable to its owners was approximately HK\$176,447,000 (31 December 2015: HK\$150,930,000). As at 30 June 2016, the short term and long term interest-bearing debts to equity attributable to its owner was 1.24 (31 December 2015: 1.79).

## **LIQUIDITY AND FINANCIAL RESOURCES**

The Group generally finances its operation by internally generated cash flow, short-term loans and through issuance of convertible bonds.

Prudent financial management and selective investment criteria have enabled the Group to maintain a stable financial position. As at 30 June 2016, the Group's bank balances and cash amounted to approximately HK\$185,319,000 (31 December 2015: approximately HK\$316,193,000).

As at 30 June 2016, the current ratio was approximately 5.06 (31 December 2015: approximately 2.41) based on current assets of approximately HK\$436,121,000 (31 December 2015: approximately HK\$533,359,000) and current liabilities of approximately HK\$86,247,000 (31 December 2015: approximately HK\$220,943,000).



## 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 U.S. 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 2016, the Group employed 35 (30 June 2015: 19) employees in Hong Kong and Macau. 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.

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

As at 30 June 2016, the interests or short positions of the Directors and Chief Executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were disclosed to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), or as recorded in the register required to be kept under 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 ("Model Code") set out in the Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange ("the Listing Rules") were as follows:

### Ordinary shares of HK\$0.1 each of the Company (Long positions)

Name of Director	Number of ordinary shares held personal interests	Approximate percentage of issued share capital
Dr. Lam Yin Lok	454,023,200	91.99%
Mr. Hung Ching Fung	6,500,000	1.32%
Mr. Chau Chit	49,693,600	10.07%

Save as disclosed above, as at 30 June 2016, none of the Directors nor the Chief Executive of the Company nor their associates had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO or as otherwise disclosed to the Company and the Stock Exchange pursuant to the Model Code.

## **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.

## **DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

Save for the Share Option Scheme of the Company, at no time during the period was the Company or any of its subsidiaries a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

## **INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS**

As at 30 June 2016, so far as was known to the Directors and the Chief Executive of the Company, the following persons (other than any director and chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register to be kept by the Company under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange:

<b>Name of shareholder</b>	<b>Capacity</b>	<b>Number of ordinary shares held</b>	<b>Approximate percentage of issued share capital of the Company</b> <i>(Note 1)</i>
Reach Luck International Limited	Beneficial owner <i>(note 2)</i>	454,023,200 (L)	91.99%

<b>Name of shareholder</b>	<b>Capacity</b>	<b>Number of ordinary shares held</b>	<b>Approximate percentage of issued share capital of the Company</b> <i>(Note 1)</i>
Lam Yin Lok	Interest held by controlled corporation <i>(note 2)</i>	454,023,200 (L)	91.99%
Mega Start Limited	Beneficial owner <i>(note 3)</i>	49,693,600 (L)	10.07%
Chau Chit	Interest held by controlled corporation <i>(note 3)</i>	49,693,600 (L)	10.07%

*Notes:*

(L) All the shares are long positions.

1. The percentages are calculated based on the total number of issued shares of the Company of 493,564,800 shares as at 30 June 2016.
2. The entire issued share capital of Reach Luck International Limited is wholly and beneficially owned by Dr. Lam Yin Lok. By virtue of the Securities and Futures Ordinance, Dr. Lam Yin Lok is deemed to be interested in the 454,023,200 shares of the Company.
3. The entire issued share capital of Mega Start Limited is wholly and beneficially owned by Mr. Chau Chit. By virtue of the Securities and Futures Ordinance, Mr. Chau Chit is deemed to be interested in the 49,693,600 shares of the Company.

Save as disclosed above, the Company had not been notified and is not aware of any other persons who had an interest or a short position in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO as at 30 June 2016.

## **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 reviewed the condensed consolidated financial statements of the Group for the six months ended 30 June 2016, 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 2016, 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 interest of shareholders.

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, 1 September 2013 and 1 January 2016. During the six months ended 30 June 2016, the Company complied with all applicable provisions of the Code for their respective applicable periods except for the deviations 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 20 May 2016.

## **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 20 May 2016.

## **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 2016.

## **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.jimeigp.com.hk](http://www.jimeigp.com.hk) 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, 31 August 2016

*As at the date of this announcement, our executive Directors are Dr. Lam Yin Lok, Mr. Tsui Kin Ming, 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.*