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# A.Plus Group Holdings Limited 優越集團控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8251)**

## **INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016**

### **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

**GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.**

**Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*This announcement, for which the directors (the “Directors”) of A.Plus Group Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

The board of Directors (the “Board”) of the Company is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2016, together with the unaudited comparative figures for the corresponding period in 2015 as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the six months ended 30 September 2016*

		<b>Six months ended</b>	
		<b>30 September</b>	
		<b>2016</b>	<b>2015</b>
	<i>Notes</i>	<b>HK\$’000</b>	<b>HK\$’000</b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
Revenue	4	<b>65,050</b>	54,965
Cost of services		<u><b>(29,869)</b></u>	<u>(25,900)</u>
Gross profit		<b>35,181</b>	29,065
Other income	6	<b>134</b>	475
Selling and distribution expenses		<b>(5,005)</b>	(4,021)
Administrative expenses		<u><b>(11,813)</b></u>	<u>(11,804)</u>
Profit before tax		<b>18,497</b>	13,715
Income tax expense	7	<u><b>(3,060)</b></u>	<u>(2,936)</u>
Profit and total comprehensive income attributable to the owners of the Company	8	<u><b>15,437</b></u>	<u>10,779</u>
Earnings per share ( <i>HK cents</i> )			
– Basic and diluted	10	<u><b>3.96</b></u>	<u>4.28</u>

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2016

		At 30 September 2016 <i>HK\$'000</i> (Unaudited)	At 31 March 2016 <i>HK\$'000</i> (Audited)
Non-current assets			
Plant and equipment	11	2,274	2,155
Goodwill		11,423	11,423
Deferred tax assets		142	142
		<u>13,839</u>	<u>13,720</u>
Current assets			
Amounts due from customers on services contracts		2,768	9,062
Trade and other receivables	12	32,741	20,186
Bank balances		61,222	24,041
		<u>96,731</u>	<u>53,289</u>
Current liabilities			
Trade and other payables	13	20,786	19,584
Income tax payables		2,941	1,572
		<u>23,727</u>	<u>21,156</u>
Net current assets		<u>73,004</u>	<u>32,133</u>
		<u><b>86,843</b></u>	<u><b>45,853</b></u>
Capital and reserves			
Share capital	14	4,000	1
Reserves		82,843	45,852
		<u><b>86,843</b></u>	<u><b>45,853</b></u>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2016

	Attributable to owners of the Company				Total HK\$'000
	Share capital HK\$'000	Share Premium HK\$'000	Other reserve HK\$'000 (Note (i))	Retained profits HK\$'000	
At 1 April 2016 (audited)	1	14,400	(1)	31,453	45,853
Profit and total comprehensive income for the period	–	–	–	15,437	15,437
Capitalisation issue (note (ii))	2,999	(2,999)	–	–	–
Issuance of new shares by way of placing (note (ii))	1,000	29,000	–	–	30,000
Transaction costs attributable to issue of new shares	–	(4,447)	–	–	(4,447)
At 30 September 2016 (unaudited)	<u>4,000</u>	<u>35,954</u>	<u>(1)</u>	<u>46,890</u>	<u>86,843</u>
At 1 April 2015 (audited)	–	–	–	36,067	36,067
Profit and total comprehensive income for the period	–	–	–	10,779	10,779
Dividend recognised as distribution (note 9)	–	–	–	(18,000)	(18,000)
At 30 September 2015 (unaudited)	<u>–</u>	<u>–</u>	<u>–</u>	<u>28,846</u>	<u>28,846</u>

Note:

- (i) Other reserve represented the difference between the nominal value of the issued share capital of the Company and share capital of A.Plus Financial Press Limited (“APF”) upon the group reorganisation on 23 March 2016 (the “Reorganisation”).
- (ii) On 18 April 2016, the Company issued a total of 100,000,000 ordinary shares of HK\$0.01 each at a price of HK\$0.30 per share as a result of the completion of the placing. The gross total proceeds from placing of HK\$30,000,000 representing the par value of HK\$1,000,000 credited to the Company’s share capital, and share premium of HK\$29,000,000, which can be used for deduction of share issuance expenses. After the share premium account of the Company being credited as a result of the placing, HK\$2,999,000 was capitalised from the share premium account and applied in paying up in full 299,900,000 shares which was allotted and issued to the then shareholders. The Company’s total number of issued shares was increased to 400,000,000 shares upon completion of placing.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 September 2016

	2016 <i>HK\$'000</i> (Unaudited)	2015 <i>HK\$'000</i> (Unaudited)
Net cash from operating activities	<u>12,419</u>	<u>13,890</u>
Net cash (used in) from investing activities	<u>(791)</u>	<u>255</u>
Net cash from (used in) financing activities	<u>25,553</u>	<u>(18,000)</u>
Net increase (decrease) in cash and cash equivalents	<b>37,181</b>	(3,855)
Cash and cash equivalents at 1 April	<u>24,041</u>	<u>23,312</u>
Cash and cash equivalents at 30 September, represented by bank balances	<u><b>61,222</b></u>	<u><b>19,457</b></u>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

*For the six months ended 30 September 2016*

## 1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law, Chapter 22 (Laws of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 20 April 2015. Its parent and ultimate holding company is Brilliant Ray Global Limited (“Brilliant Ray”) (incorporated in the British Virgin Islands). The shares of the Company have been listed on GEM of the Stock Exchange since 19 April 2016.

The Company is an investment holding company. Its major operating subsidiaries are engaged in the provision of financial printing services.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the same as the functional currency of the Group.

These condensed consolidated interim financial statements have not been audited.

## 2. BASIS OF PREPARATION

Pursuant to the Reorganisation, the Company became the holding company of the Group on 23 March 2016. The Company, Power Future Holdings Limited (“Power Future”), Maplehill Investments Limited (“Maplehill”) and APF, resulting from the Reorganisation, were directly and/or beneficially owned by the same beneficial owners in substantially the same proportionate ownership interests both before and after the Reorganisation. As such, this Reorganisation was effectively interspersing a shell company over Power Future, Maplehill and APF and there was a continuation of risks and benefits to the ultimate beneficial owners. Accordingly, the Reorganisation has been accounted for as a combination of entities and businesses and the unaudited condensed consolidated financial statements of the Group have been prepared and presented on the basis as if the Company has always been the holding company of Power Future, Maplehill and APF throughout the six months ended 30 September 2015. Amongst the ultimate beneficial owners, Mr. Lam Kim Wan and Mr. Fong Wing Kong are regarded as the controlling shareholders of the Group.

Upon the completion of the Reorganisation, A.Plus International Financial Press Limited (“API”) became a wholly-owned subsidiary of the Group and its financial results have been consolidated into those of the Group in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) with effect from 1 April 2016.

## 3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements for the six months ended 30 September 2016 have been prepared in accordance with the HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKAS”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and accounting principles generally accepted in Hong Kong. In addition, the unaudited condensed consolidated financial statements also comply with the applicable disclosure provision of the GEM Listing Rules and the Hong Kong Companies Ordinance.

The condensed consolidated financial statements have been prepared on the historical cost basis.

The accounting policies used in the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2016.

All HKFRSs effective for the accounting periods commencing from 1 April 2016 and relevant to the Group, have been adopted by the Group in the preparation of the Group's unaudited condensed consolidated results. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current period and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position. All significant transactions and balances among the companies comprising the Group have been eliminated on consolidation.

The condensed consolidated financial statements have not been audited by the Company's independent auditors, but have been reviewed by the audit committee of the Company.

#### 4. REVENUE

Revenue represents revenue arising from provision of financial printing services in Hong Kong. An analysis of the Group's revenue for the period is as follows:

	Six months ended	
	30 September	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Results announcements and financial reports	30,002	23,111
Company announcements and shareholder circulars	21,457	22,483
Debt offering circulars and initial public offering prospectuses	6,066	4,121
Fund documents	2,701	2,679
Others	4,824	2,571
	<u>65,050</u>	<u>54,965</u>

#### 5. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision makers, for the purposes of resource allocation and assessment of segment performance focuses on types of services delivered. The Group is principally engaged in the provision of financial printing services. Accordingly, the Group's operation is attributable to a single reportable and operating segment under HKFRS 8 and no segment information is presented. In addition, all of the Group's revenue is sourced in Hong Kong and assets and liabilities are located in Hong Kong. Accordingly, no geographical information is presented.

## 6. OTHER INCOME

	Six months ended	
	30 September	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Bank interest income	1	–
Sponsorship income	133	–
Management fee income ( <i>note 15(a)(i)</i> )	–	474
	<u>134</u>	<u>474</u>

## 7. INCOME TAX EXPENSE

	Six months ended	
	30 September	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Current tax:		
Hong Kong Profits Tax	3,060	2,939
Deferred taxation	–	(3)
	<u>3,060</u>	<u>2,936</u>

Hong Kong Profits Tax is calculated at 16.5% on the estimated assessable profits for both periods.

Deferred tax assets are measured at the tax rates of 16.5% that are expected to apply in the relevant period in which the liability is settled or the asset is realised.

The Company is an exempted company incorporated in the Cayman Islands. As such, there are no taxes on individuals or corporations based upon profits, income, gains or appreciations and there are no other taxes likely to be material to the Company levied by the government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments.

## 8. PROFIT FOR THE PERIOD

	Six months ended 30 September	
	2016	2015
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Profit for the period has been arrived at after charging:		
Salaries, wages and other benefits	16,359	13,343
Contribution to defined contribution retirement benefits scheme	440	371
Total staff costs (excluding directors' remuneration)	16,799	13,714
Directors' emoluments	1,775	1,818
Depreciation of plant and equipment	674	719
Impairment loss of trade receivables (included in administrative expenses)	486	367
Listing expenses	–	4,082
Operating lease charges in respect of office premises and certain office equipment	1,593	1,268

## 9. DIVIDENDS

The Board does not recommend the payment of any dividend for the six months ended 30 September 2016 (six months ended 30 September 2015: Nil).

In July 2015, an interim dividend of HK\$18,000,000 was declared and paid by APF to its then shareholders in August 2015.

## 10. EARNINGS PER SHARE

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

	Six months ended 30 September	
	2016	2015
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Earnings		
Earnings for the purpose of basic earnings per share	15,437	10,779

	<b>Six months ended</b>	
	<b>30 September</b>	
	<b>2016</b>	2015
	<b>'000</b>	<b>'000</b>
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u><b>390,110</b></u>	<u>252,000</u>
Basic and diluted earnings per share ( <i>HK cents</i> )	<u><b>3.96</b></u>	<u>4.28</u>

The diluted earnings per share is equal to the basic earnings per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 September 2016 and 2015.

The weighted average number of ordinary shares in issue for the six months ended 30 September 2015 have been retrospectively adjusted for the effect of the capitalisation issue pursuant to the Reorganisation as stated in the prospectus of the Company dated 31 March 2016 (the "Prospectus") as if such capitalisation issued shares were issued during the six months ended 30 September 2015 on pro rata basis.

## **11. PLANT AND EQUIPMENT**

During the reporting period, the Group spent approximately HK\$792,000 (six months ended 30 September 2015: approximately HK\$437,000) on acquisition of plant and equipment.

## **12. TRADE AND OTHER RECEIVABLES**

	<b>At 30 September</b>	At 31 March
	<b>2016</b>	2016
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Trade receivables	<b>30,919</b>	16,013
<i>Less:</i> Allowance for impairment of trade receivables	<u><b>(1,506)</b></u>	<u>(1,020)</u>
	<b>29,413</b>	14,993
Prepayments	<b>1,067</b>	3,754
Deposits	<u><b>2,261</b></u>	<u>1,439</u>
Trade and other receivables	<u><b>32,741</b></u>	<u>20,186</u>

The Group allows an average credit period of 30 days to its trade customers. The Group does not hold any collateral over its trade and other receivables. The following is an aged analysis of trade receivables, net of allowance for impairment of trade receivables, presented based on the invoice date, at the end of the reporting period.

	<b>At 30 September</b>	At 31 March
	<b>2016</b>	2016
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Audited)
Within 30 days	<b>11,899</b>	8,473
31 to 60 days	<b>3,459</b>	2,053
61 to 90 days	<b>3,286</b>	780
Over 90 days	<b>10,769</b>	3,687
	<hr/>	<hr/>
Total	<b>29,413</b>	14,993
	<hr/> <hr/>	<hr/> <hr/>

Included in prepayments as at 30 September 2016, balance of approximately HK\$694,000 (As at 31 March 2016: HK\$866,000) is prepayment to a related company in relation to the provision of translation services.

### 13. TRADE AND OTHER PAYABLES

	<b>At 30 September</b>	At 31 March
	<b>2016</b>	2016
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
	<b>(Unaudited)</b>	(Audited)
Trade payables	<b>9,732</b>	5,090
Customer deposit	<b>4,578</b>	2,526
Accrued bonus and commission	<b>5,053</b>	5,068
Accruals	<b>1,423</b>	6,900
	<hr/>	<hr/>
Trade and other payables	<b>20,786</b>	19,584
	<hr/> <hr/>	<hr/> <hr/>

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

	<b>At 30 September</b>	At 31 March
	<b>2016</b>	2016
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Within 30 days	4,547	2,741
31 to 60 days	870	591
61 to 90 days	2,104	399
Over 90 days	2,211	1,359
	<u>9,732</u>	<u>5,090</u>
Trade payables	<u><b>9,732</b></u>	<u><b>5,090</b></u>

The average credit period granted is ranging from 30 to 90 days. The Group has financial risk management in place to ensure that all payables are settled within the credit timeframe.

#### 14. SHARE CAPITAL

	<b>Number of</b>	<b>Share capital</b>
	<b>Ordinary shares</b>	<b>HK\$</b>
Ordinary share of HK\$0.01 each		
<i>Authorised:</i>		
At 31 March 2016 and 30 September 2016	<u>8,000,000,000</u>	<u>80,000,000</u>
<i>Issued and fully paid:</i>		
Share issued upon incorporation ( <i>note (a)</i> )	1	0.01
Shares issued on Reorganisation ( <i>notes (b) and (c)</i> )	<u>99,999</u>	<u>999.99</u>
At 31 March 2016 (audited)	<u>100,000</u>	<u>1,000</u>
Issue of new shares upon completion of Reorganisation ( <i>note d</i> )	299,900,000	2,999,000
Issue of new shares upon listing ( <i>note d</i> )	<u>100,000,000</u>	<u>1,000,000</u>
At 30 September 2016 (unaudited)	<u><b>400,000,000</b></u>	<u><b>4,000,000</b></u>

*Notes:*

- (a) Upon incorporation, the authorised share capital of the Company was HK\$380,000 divided into 38,000,000 ordinary shares of HK\$0.01 each. One share was allotted and issued nil paid to the subscriber on 20 April 2015, which was then transferred to Brilliant Ray, which was owned by the controlling shareholders of the Company, on the same date.
- (b) On 23 March 2016, the Company through Maplehill, acquired 10,000 shares of API, representing API's entire issued share capital, from Brilliant Ray, and in consideration the Company allotted and issued 15,999 fully paid up shares to Brilliant Ray and credited as fully paid up the one nil-paid share held by Brilliant Ray upon completion of the acquisition of API by the Group.
- (c) On 23 March 2016, the Company through Power Future, acquired 200 shares of APF, representing APF's entire issued share capital, from Brilliant Ray, and in consideration, the Company allotted and issued 84,000 shares to Brilliant Ray, credited as fully-paid.
- (d) On 18 April 2016, the Company issued a total of 100,000,000 ordinary shares of HK\$0.01 each at a price of HK\$0.30 per share as a result of the completion of the placing. The gross total proceeds from the placing of HK\$30,000,000 representing the par value of HK\$1,000,000 credited to the Company's share capital, and share premium of HK\$29,000,000, which can be used for deduction of share issuance expenses. After the share premium account of the Company being credited as a result of the placing, HK\$2,999,000 was capitalised from the share premium account and applied in paying up in full 299,900,000 shares which was allotted and issued to the then shareholders. The Company's total number of issued shares was increased to 400,000,000 shares upon completion of placing. The proceeds were proposed to be used to finance the implementation of the plans as set forth in the section headed "future plans and use of proceeds" in the Prospectus.
- (e) All shares issued rank pari passu in all respects with all shares then in issue.

## 15. RELATED PARTY TRANSACTIONS

- (a) Save as disclosed elsewhere in the condensed consolidated financial statements, the Group entered into transactions with related parties as follows:

Related party	Relationship	Nature of transaction	Notes	Six months ended	
				30 September 2016	2015
				HK\$'000 Unaudited	HK\$'000 Unaudited
API	50% indirectly owned by the controlling shareholders of the Company before Reorganisation	Management fee income	(i)	–	474
Supreme Bond Limited (“SBL”)	50% indirectly owned by the controlling shareholders of the Company	Translation service fee paid or payable to related company		1,424	1,103
啟競翻譯諮詢(深圳)有限公司 (Nature Success (Shenzhen) Limited*) (“Nature Success”)	50% indirectly owned by the controlling shareholders of the Company	Translation service fee paid or payable to related company	(ii)	1,572	1,428

\* *The English name is for identification purposes only.*

### Notes:

- (i) During the six months ended 30 September 2016, amount of HK\$Nil (six months ended 30 September 2015: HK\$474,000) represented the management fee charged to API in relation to the back-office support services provided by the Group.
- (ii) Nature Success was a subsidiary of SBL during both periods.
- (iii) These transactions were carried out at the terms determined and agreed by the Group and relevant parties.

**(b) Compensation to key management personnel**

The remuneration of the Directors and other members of key management personnel during the period was as follows:

	<b>Six months ended</b>	
	<b>30 September</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>5,960</b>	4,921
Post employment benefits	<b>99</b>	90
	<hr/>	<hr/>
	<b>6,059</b>	<b>5,011</b>
	<hr/> <hr/>	<hr/> <hr/>

The related party transactions in respect of translation service fee paid or payable to SBL and Nature Success above also constitute continuing connected transactions as defined in Chapter 20 of the GEM Listing Rules.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

During the six months ended 30 September 2016, the Group achieved a revenue growth of approximately 18.3% as compared to the corresponding period in 2015, which was mainly attributable to (i) a revenue growth of approximately 5.1% of APF due to the successful marketing effort in expanding its customer base; and (ii) consolidation of financial results of API into the Group with effect from 1 April 2016.

### **FUTURE PROSPECTS**

Going forward, certain unfavourable factors such as fluctuation of the global financial market and intensifying competition in the industry may continue to exert pressure on the Group's business. Meanwhile, the joint consultation paper in relation to listing regulation issued by the Securities and Futures Commission and the Stock Exchange may have an impact on the timing of the IPO vetting process, and in turn on the Group's operation. Despite the challenging environment, the Group will adhere to its business strategy to focus on providing quality financial printing services to companies listed on the Stock Exchange and further penetrate the market of debt offering circulars and IPO prospectuses through developing business relationships with intermediaries.

### **BUSINESS STRATEGIES REVIEW WITH PROGRESS OF IMPLEMENTATION**

As set out in the Prospectus, the Group's strategic goal is to become a prominent player in the financial printing industry in Hong Kong. In order to achieve this goal, the Group intends to pursue the following strategies. The following table sets out the Group's business strategies as disclosed in the Prospectus with the actual progress of implementation as at 30 September 2016.

<b>Business strategy</b>	<b>Implementation plan</b>	<b>Progress of implementation as at 30 September 2016</b>
Office expansion	(i) Renovation of the Group's existing office	(i) The Group had received tenders from several vendors and was in the progress of scheduling the renovation work of the Group's existing office.
	(ii) Leasing an additional office space near the Group's existing office premises	(ii) Leased an additional office space near the Group's existing office premises.
	(iii) Setting up a new office premises for API in a prime location in Central, Hong Kong	(iii) More time is required for the Group to identify suitable office premises due to market conditions.
Recruiting new staff	(i) Translation staff	(i) Certain additional translation staff was recruited, the Group was still in the process of further recruiting translation staff.
	(ii) Other staff	(ii) Certain other staff was recruited.
Enhancing the Group's information technology system	Purchase of new information technology equipment and software	Purchase of new information technology equipment and software was in progress to cope with the Group's business development.

## USE OF NET PROCEEDS FROM THE PLACING

The shares of the Company were listed on the GEM on 19 April 2016. The actual net proceeds from the Placing at the placing price of HK\$0.30 per share was approximately HK\$15.3 million (after deduction of any related expenses). As at 30 September 2016, the unused proceeds of approximately HK\$13.1 million were deposited in a licensed bank in Hong Kong.

As at 30 September 2016, the net proceeds had been utilised as follows:

	<b>Actual net proceeds</b> <i>HK\$ million</i>	<b>Amount utilised up to 30 September 2016</b> <i>HK\$ million</i>	<b>Balance as at 30 September 2016</b> <i>HK\$ million</i>
Office expansion	6.6	0.3	6.3
Recruiting new staff			
– Translation staff	2.9	–	2.9
– Other staff	0.6	0.1	0.5
Enhancing information technology system	3.7	1.5	2.2
General working capital	<u>1.5</u>	<u>0.3</u>	<u>1.2</u>
Total:	<u><u>15.3</u></u>	<u><u>2.2</u></u>	<u><u>13.1</u></u>

### Compliance

As at 30 September 2016, save as disclosed in the section headed “Business – Legal Compliance and Proceedings” of the Prospectus, the Group was not involved in any claim, lawsuit, litigation or arbitration of material nature and, was not aware of any incidents of non-compliance with the applicable laws and regulations as at the date of this announcement. Compliance procedures are in place to ensure adherence to applicable laws, rules and regulations, in particular, those which have significant impact on the Group. The Company is not aware of the occurrence of any other material non-compliance incidents during the six month ended 30 September 2016.

## **Risk Management and Internal Control**

The Board has overall responsibility for the effective risk management and internal control systems of the Group and is committed to the maintenance of good corporate governance, practices and procedures of the Group. The Board believes that all the major risk factors relevant to the Group have already been listed in the section headed “Risk Factors” of the Prospectus. As at 30 September 2016 and the date of this announcement, save as disclosed otherwise, the business environment and regulatory environment in which the Group operates have not witnessed any material change, and internal operations and management and financial operations have been running smoothly, and thereby no other major risk factors need to be disclosed separately. In accordance with the revised Corporate Governance Code and Corporate Governance Report contained in Appendix 15 to the GEM Listing Rules, the Group continuously improves the risk management and internal control systems. The Board believes that these measures will strengthen the risk management and internal control systems of the Group.

## **FINANCIAL REVIEW**

### **Revenue**

The Group’s revenue increased from approximately HK\$55.0 million for the six months ended 30 September 2015 to approximately HK\$65.1 million for the six months ended 30 September 2016, representing an increase of approximately 18.3%. Segmentally, revenue generated from the results announcements and financial reports segment, the debt offering circulars and IPO prospectuses segment and other segments increased by approximately HK\$6.9 million, approximately HK\$2.0 million and approximately HK\$1.2 million respectively.

### **Cost of services**

The Group’s cost of services mainly included translation cost, printing cost and staff cost, which represented approximately 34.4%, 32.1% and 30.1% of the Group’s total cost of services for the six months ended 30 September 2016 respectively. The Group’s cost of services increased from approximately HK\$25.9 million for the six months ended 30 September 2015 to approximately HK\$29.9 million for the six months ended 30 September 2016, representing an increase of approximately 15.3%. The increase in cost of services was generally in line with the Group’s revenue growth during the period.

## **Gross profit**

The Group's gross profit increased from approximately HK\$29.1 million for the six months ended 30 September 2015 to approximately HK\$35.2 million for the six months ended 30 September 2016, representing an increase of approximately 21.0%. The increase was mainly attributable to the increase in revenue generated from the results announcement and financial reports segment, the debt offering circulars and IPO prospectuses segment and other segments.

## **Other income**

The Group's other income was approximately HK\$0.4 million and approximately HK\$0.1 million for the six months ended 30 September 2015 and 2016 respectively, which remained relatively stable.

## **Selling and distribution expenses**

The Group's selling and distribution expenses increased from approximately HK\$4.0 million for the six months ended 30 September 2015 to approximately HK\$5.0 million for the six months ended 30 September 2016. The increase was mainly attributable to (i) the increase in staff cost in relation to sales and marketing staff; and (ii) entertainment expenses.

## **Administrative expenses**

The Group's administrative expenses remained relatively stable at approximately HK\$11.8 million for the six months ended 30 September 2016. The increases in (i) professional and other costs in relation to the compliance with the GEM Listing Rules and other regulations applicable to the Group for maintaining the listing status; and (ii) staff cost including Directors' emoluments were offset by the absence of the one-off listing expenses during the six months ended 30 September 2016 (six months ended 30 September 2015: approximately HK\$4.1 million).

## **Income tax expenses**

The Group's income tax expenses increased from approximately HK\$2.9 million for the six months ended 30 September 2015 to approximately HK\$3.1 million for the six months ended 30 September 2016. The increase was mainly attributable to the increase in profit before tax.

## **Profit for the period**

Profit after tax of the Group increased by approximately 43.2% or approximately HK\$4.6 million from approximately HK\$10.8 million for the six months ended 30 September 2015 to approximately HK\$15.4 million for the six months ended 30 September 2016. The increase was mainly attributable to (i) the increase in revenue and profit after tax of APF during the six months ended 30 September 2016; (ii) the absence of the one-off listing expenses during the six months ended 30 September 2016 as compared with the six months ended 30 September 2015; and (iii) the consolidation of the financial results of API into the accounts of the Group with effect from 1 April 2016.

## **GEARING RATIO**

As at 31 March 2016 and 30 September 2016, the Group did not have any interest-bearing debt and hence gearing ratio (which was calculated by dividing total debt by total equity) was not applicable to the Group.

## **LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

As at 31 March 2016 and 30 September 2016, the Group had net current assets of approximately HK\$32.1 million and HK\$73.0 million respectively. As at 31 March 2016 and 30 September 2016, the Group had cash and cash equivalents of approximately HK\$24.0 million and HK\$61.2 million respectively. As at 31 March 2016 and 30 September 2016, the Group did not have any borrowings, bank overdrafts, bank loans and banking facilities. The Group intends to finance its future operations, capital expenditure and other capital requirements with the cash generated from business operations, cash and bank balances available and the net proceeds from the Listing.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 30 September 2016, the Group employed 77 full time employees (as at 30 September 2015: 69) for its principal activities. Employees' costs (including Directors' emoluments) amounted to approximately HK\$18.6 million for the reporting period (six months ended 30 September 2015: HK\$15.5 million). The Group recognises the importance of retaining talented and professional employees for operations and business, and it continues to provide remuneration packages to employees with reference to the performance of the Group, the performance of individuals and prevailing market rates.

## **CAPITAL COMMITMENTS AND FINANCING NEEDS**

As at 30 September 2016, apart from the implementation plans, capital needs and financing plans as stated in the sections headed “Future Plans and Use of Proceeds” and “Financial Information” of the Prospectus, the Group had no other new implementation plans or financing plans.

## **SIGNIFICANT INVESTMENTS/MATERIAL ACQUISITIONS AND DISPOSALS**

The Group did not make any significant investments or material acquisition and disposal during the six months ended 30 September 2016.

## **CHARGES ON THE GROUP’S ASSETS**

As at 30 September 2016 and 2015, there were no charges on the Group’s assets.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Save for the implementation plan as disclosed in the Prospectus, there was no specific plan for material investments or capital assets as at 30 September 2016.

## **CONTINGENT LIABILITIES**

As at 30 September 2015 and 2016, the Group did not have any significant contingent liabilities.

## **DIVIDENDS**

The Directors do not recommend the payment of any dividend for the six months ended 30 September 2016 (six months ended 30 September 2015: Nil).

## **FOREIGN CURRENCY EXPOSURE**

Since the Group’s business activities are solely operated in Hong Kong and mainly denominated in Hong Kong dollars, the Directors consider that the Group’s risk in foreign exchange is insignificant.

## **EVENTS AFTER THE BALANCE SHEET DATE**

The Group had no significant events after the end of the reporting period of this announcement.

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 September 2016, the interests or short positions of each of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which are required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions in which they are taken or deemed to have under such provisions), or which are required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which are required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 of the GEM Listing Rules, are as follows:

#### Interest in the shares of the Company

Name of Directors	Long/short position	Capacity	Number of shares held	Approximate percentage of issued share capital
Mr. Lam Kim Wan	Long position	Interest in a controlled corporation	233,160,000 (Note)	58.3%
Mr. Fong Wing Kong	Long position	Interest in a controlled corporation	233,160,000 (Note)	58.3%

*Note:* These shares are registered in the name of Brilliant Ray Global Limited, the entire issued share capital of which is legally and beneficially owned as to 50.0% by Mr. Lam Kim Wan and as to 50.0% by Mr. Fong Wing Kong. Under the SFO, each of Mr. Lam Kim Wan and Mr. Fong Wing Kong is deemed to be interested in 233,160,000 shares in the Company held by Brilliant Ray Global Limited.

#### Interests in the shares of Brilliant Ray Global Limited (being a holding company of the Company and therefore an associated corporation)

Name of Directors	Long/short position	Capacity	Number of shares held	Percentage of issued share capital
Mr. Lam Kim Wan	Long position	Beneficial interest	200	50.0%
Mr. Fong Wing Kong	Long position	Beneficial interest	200	50.0%

As at 30 September 2016, none of the Directors or chief executive of the Company had any interests in the underlying shares in respect of physically settled, cash settled or other equity derivatives of the Company or any of its associated corporations (within the meaning of Part XV of the SFO).

Save as disclosed above, as at 30 September 2016, none of the Directors or chief executive of the Company had any interest or short positions in the shares or underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be recorded in the register kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

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

As at 30 September 2016, so far as known to the Directors, the following persons/entities (other than the Directors and chief executives of the Company) had an interest or a short position in the shares or the underlying shares of the Company which would be required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other members of the Group:

<b>Name</b>	<b>Long/short position</b>	<b>Capacity</b>	<b>Number of shares held</b>	<b>Approximate percentage of issued share capital</b>
Brilliant Ray Global Limited	Long position	Beneficial owner	233,160,000 (Note 1)	58.3%
Majestic Praise Enterprises Limited	Long position	Beneficial owner	24,000,000 (Note 2)	6.0%
Mr. Lim Boon Yew	Long position	Interest in a controlled corporation	24,000,000 (Note 2)	6.0%

*Notes:*

1. Brilliant Ray Global Limited is owned as to 50.0% by Mr. Lam Kim Wan and 50.0% by Mr. Fong Wing Kong. Under the SFO, each of Mr. Lam Kim Wan and Mr. Fong Wing Kong is deemed to be interested in all the 233,160,000 shares in the Company held by Brilliant Ray Global Limited.
2. Majestic Praise Enterprises Limited is wholly-owned by Mr. Lim Boon Yew. Under the SFO, Mr. Lim Boon Yew is deemed to be interested in all the 24,000,000 shares in the Company held by Majestic Praise Enterprises Limited.

Save as disclosed above, as at 30 September 2016, none of the substantial or significant shareholders of the Company or other persons, other than the Directors and chief executive of the Company whose interests are set out in the section “Directors’ and chief executive’s interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations” above, had any interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## **SHARE OPTION SCHEME**

The Company has conditionally adopted a share option scheme (the “Scheme”) on 23 March 2016 (“Adoption Date”) which became unconditional upon the listing of the Company on 19 April 2016 (“Listing Date”). Under the terms of the Scheme, the Board may, at its discretion, grant options to eligible participants to subscribe for shares in the Company.

No share options were granted since the Adoption Date and up to 30 September 2016, and there was no share option outstanding as at 30 September 2016. As at 30 September 2016, the Company had 40,000,000 shares available for issue under the Scheme, representing 10% of the existing issued share capital of the Company as at the date of this announcement.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the six months ended 30 September 2016.

## **PRE-EMPTIVE RIGHTS**

There are no provisions for pre-emptive rights under the Articles of Association of the Company and there is no restriction against such rights under the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to its existing shareholders.

## **CORPORATE GOVERNANCE**

The shares of the Company were listed on GEM of the Stock Exchange on 19 April 2016. The Company has adopted the code provisions as set out in the Corporate Governance Code and Corporate Governance Report (the “CG Code”) as contained in Appendix 15 to the GEM Listing Rules as its own code of corporate governance since the Listing Date. During the six months ended 30 September 2016 and in preparation for the listing, the Company has, so far as applicable, complied with the code provisions as set out in the CG Code.

## **DIRECTORS AND CONTROLLING SHAREHOLDERS' INTEREST IN COMPETING BUSINESS**

Save for the continuing connected transactions as disclosed in the section headed “Connected transactions” in the Prospectus, none of the Directors and controlling shareholders of the Company or their respective close associates (as defined in the GEM Listing Rules) has any interest in a business that competes or may compete with the business of the Group since the Listing Date and up to 30 September 2016.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the required standard of dealings in the securities (the “Required Standard of Dealings”) as contained in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct governing the securities transactions by the Directors. Having made specific enquiry, all Directors confirmed that they have complied with the Required Standard of Dealings from the Listing Date up to 30 September 2016.

The Company has adopted the same standard of dealings in securities for its employees and for directors or employees of its subsidiaries who are likely to be in possession of unpublished inside information of the Company or its securities.

## **DEED OF NON-COMPETITION**

On 23 March 2016, Brilliant Ray Global Limited, Mr. Lam Kim Wan and Mr. Fong Wing Kong (being controlling shareholders of the Company), entered into a deed of non-competition (“Deed of Non-Competition”) in favour of the Company (for itself and as trustee for each of the subsidiaries), pursuant to which each of Brilliant Ray Global Limited, Mr. Lam Kim Wan and Mr. Fong Wing Kong, jointly and severally, warrants and undertakes with the Company that, from the Listing Date, he/it shall not, and shall procure his/its close associates and any company directly or indirectly controlled by him/it (other than the Group) not to directly or indirectly, whether for profit or not, carry on, participate in, hold, engage in, acquire or operate, or provide any form of assistance to any person, firm or company (except members of the Group) to conduct any business which, directly or indirectly, competes or may compete with the business presently carried on by the Company or any of its subsidiaries or any other business that may be carried on by any of them from time to time during the term of the Deed of Non-Competition, in Hong Kong or such other places as the Company or any of its subsidiaries may conduct or carry on business from time to time, including but not limited to provision of financial printing services and translation services to companies listed on the Stock Exchange and other stock exchanges, financial institutions or intermediaries. For details of the Deed of Non-Competition, please refer to the section headed “Relationship with Controlling Shareholders” in the Prospectus.

Brilliant Ray Global Limited, Mr. Lam Kim Wan and Mr. Fong Wing Kong have all confirmed to the Company of its/his compliance with the Deed of Non-Competition from the Listing Date up to the date of this announcement. The independent non-executive Directors have reviewed the status of compliance and confirmed that all the undertakings under the Deed of Non-Competition have been complied by each of Brilliant Ray Global Limited, Mr. Lam Kim Wan and Mr. Fong Wing Kong and duly enforced since the Listing Date and up to the date of this announcement.

## **DIRECTORS' INTEREST IN COMPETING BUSINESS**

Save as disclosed in this announcement, none of the Directors and controlling shareholders of the Company or their respective close associates (as defined in the GEM Listing Rules) has any interest in a business that competes or may compete with the business of the Group since the Listing Date and up to the date of this announcement.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this announcement, there is a sufficient public float of at least 25% of the Company's issued shares as required under the GEM Listing Rules throughout the period from the Listing Date to the date of this announcement.

## **INTEREST OF COMPLIANCE ADVISER**

As at 30 September 2016, as notified by the Company's compliance adviser, Altus Capital Limited ("Altus Capital"), except for the sponsor engagement letter and the compliance adviser's agreement entered into between the Company and Altus Capital on 2 May 2015 and 10 July 2015 respectively in connection with the listing, neither Altus Capital nor its directors, employees or close associates had any interests in the Company or any member of the Group which was required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

## **AUDIT COMMITTEE**

The audit committee of the Company (“Audit Committee”) was established on 23 March 2016 with the written terms of reference in compliance with the GEM Listing Rules and the CG Code. The Audit Committee comprises three independent non-executive Directors, namely Mr. Yue Ming Wai Bonaventure, Ms. Sze Tak On and Mr. Leung Siu Hong. The chairman of the Audit Committee is Mr. Yue Ming Wai Bonaventure. The primary duties of the Audit Committee are to make recommendations to the Board on the appointment and removal of external auditors, to review and supervise the financial statements and material advice in respect of financial reporting process of the Group, to oversee the internal control systems of the Group and to monitor any continuing connected transactions. The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2016, and is of the opinion that such statements comply with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosure has been made.

## **APPRECIATION**

The chairman of the Company would like to take this opportunity to express my sincere gratitude to our customers, business partners and shareholders for their continuous support for and trust in the Group, and also wish to express my heartfelt appreciation to all of our staff for their dedication and hard work throughout the period.

By Order of the Board  
**A.Plus Group Holdings Limited**  
**Lam Kim Wan**  
*Chairman and Executive Director*

Hong Kong, 10 November 2016

*As at the date of this announcement, the executive Directors are Mr. Lam Kim Wan and Mr. Fong Wing Kong, and the independent non-executive Directors are Mr. Yue Ming Wai Bonaventure, Ms. Sze Tak On and Mr. Leung Siu Hong.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of seven days from the date of its publication and on the Company’s website at [www.aplusgp.com](http://www.aplusgp.com)*