



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

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

Stock Code 股份代號: 8251

Interim Report

**2017/18** 中期報告

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

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**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.**

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*This report, 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 report 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 report misleading.*



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## Corporate Information

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Lam Kim Wan (*Chairman*)  
Mr. Fong Wing Kong  
(*Chief Executive Officer*)

#### Independent Non-executive Directors

Mr. Yue Ming Wai Bonaventure  
Ms. Sze Tak On  
Mr. Leung Siu Hong

### AUTHORISED REPRESENTATIVES

Mr. Lam Kim Wan  
Mr. Fong Wing Kong

### COMPANY SECRETARY

Mr. Wun Chun Wai (*CPA*)

### COMPLIANCE OFFICER

Mr. Fong Wing Kong (*CPA*)

### BOARD COMMITTEES

#### Audit Committee

Mr. Yue Ming Wai Bonaventure  
(*Chairman*)

Ms. Sze Tak On  
Mr. Leung Siu Hong

#### Remuneration Committee

Mr. Leung Siu Hong (*Chairman*)  
Mr. Yue Ming Wai Bonaventure  
Ms. Sze Tak On  
Mr. Lam Kim Wan

#### Nomination Committee

Mr. Lam Kim Wan (*Chairman*)  
Mr. Yue Ming Wai Bonaventure  
Ms. Sze Tak On  
Mr. Leung Siu Hong

### AUDITORS

SHINEWING (HK) CPA Limited  
43/F, Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong

### LEGAL ADVISER

Howse Williams Bowers  
27/F Alexandra House  
18 Chater Road  
Central  
Hong Kong

### REGISTERED OFFICE

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

2/F, 35-45B Bonham Strand  
Sheung Wan  
Hong Kong

### COMPANY'S WEBSITE

[www.aplusgp.com](http://www.aplusgp.com)

### STOCK CODE

8251

### PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Trust Company (Cayman) Limited  
Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

### COMPLIANCE ADVISER

Altus Capital Limited  
21 Wing Wo Street  
Central  
Hong Kong

### PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Industrial and Commercial Bank of China (Asia) Limited

## Management Discussion and Analysis

On behalf of the board of Directors (the “Board”), I present the unaudited interim results of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 September 2017 to the shareholders of the Company.

### **BUSINESS REVIEW**

During the six months ended 30 September 2017, the Group achieved a revenue growth of approximately 34.2% as compared to the corresponding period in 2016, which was mainly attributable to the increase in revenue generated from the (i) results announcements and financial reports segment of approximately HK\$14.1 million from approximately HK\$30.0 million for the six months ended 30 September 2016 to approximately HK\$44.1 million for the six months ended 30 September 2017; (ii) company announcements and shareholder circulars segment of approximately HK\$4.5 million from approximately HK\$21.5 million for the six months ended 30 September 2016 to approximately HK\$26.0 million for the six months ended 30 September 2017; and (iii) debt offering circulars and initial public offering prospectuses segment of approximately HK\$4.6 million from approximately HK\$6.1 million for the six months ended 30 September 2016 to approximately HK\$10.7 million for the six months ended 30 September 2017. Such increase was mainly attributable to the successful expansion of the Group’s customer base of companies listed on the Stock Exchange and further penetration of the market of debt offering circulars and initial public offering prospectuses through developing our business relationship with intermediaries for the six months ended 30 September 2017.

### **PROSPECTS**

In June 2017, the Stock Exchange issued a consultation paper on, among others, the review of the GEM and a concept paper on the New Board. Moreover, in September 2017, the Securities and Futures Commission and the Stock Exchange issued their joint consultation conclusions in relation to listing regulations. Those consultation papers and concept paper as well as consultation conclusions involve substantial changes of Hong Kong’s overall listing framework, which may affect the initial public offering vetting process and publication requirements of initial public offering applicants and listing companies in Hong Kong and thus impose uncertainties on the business prospects of the Group.

It is expected that the intensified competition in the industry may continue in the near future, which could have a negative impact on the business growth of the Group. Nevertheless, leveraging on our listing status and our newly renovated headquarters, the Group will continue to adhere to its business strategy to expand our customer base of companies listed on the Stock Exchange and further penetrate the market of debt offering circulars and initial public offering prospectuses through developing our business relationships with intermediaries.

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

As set out in the prospectus of the Company dated 31 March 2016 (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 2017.

BUSINESS STRATEGY	IMPLEMENTATION PLAN	PROGRESS OF IMPLEMENTATION AS AT 30 SEPTEMBER 2017
Office expansion	(i) Renovation of the Group's existing office	(i) Renovation of the Group's existing office has been substantially completed in June 2017 with certain minor improvement works to be carried out later.
	(ii) Leasing an additional office space near the Group's existing office premises	(ii) Leased additional office space near the Group's existing office premises.
	(iii) Setting up a new office premises for A.Plus International Financial Press Limited in a prime location in Central, Hong Kong	(iii) As disclosed in the announcement of the Company dated 21 June 2017, the unutilised net proceeds originally intended for such purpose will be reallocated to recruiting new staff and enhancing the Group's information technology system.
Recruiting new staff	(i) Translation staff	(i) Certain additional translation staff were recruited, the Group was still in the process of further recruiting translation staff.
	(ii) Other staff	(ii) Certain other staff were recruited, the Group was still in the process of further recruiting staff.
Enhancing the Group's information technology system	Purchase of new information technology equipment and software	Utilised as intended.

## Management Discussion and Analysis

### 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 of 100,000,000 new shares of the Company 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 2017, the unused proceeds of approximately HK\$4.5 million were deposited in a licensed bank in Hong Kong.

As at 30 September 2017, the net proceeds had been utilised as follows:

	ACTUAL NET PROCEEDS (ADJUSTED BY THE CHANGE OF USE OF PROCEEDS AS DISCLOSED IN THE ANNOUNCEMENT OF THE COMPANY DATED 21 JUNE 2017) HK\$ MILLION	AMOUNT UTILISED UP TO 30 SEPTEMBER 2017 HK\$ MILLION	BALANCE AS AT 30 SEPTEMBER 2017 HK\$ MILLION
Office expansion	1.3	0.8	0.5
Recruiting new staff			
– Translation staff	3.7	2.0	1.7
– Other staff	3.3	1.0	2.3
Enhancing information technology system	5.5	5.5	–
General working capital	1.5	1.5	–
<b>Total:</b>	<b>15.3</b>	<b>10.8</b>	<b>4.5</b>

### COMPLIANCE

As at 30 September 2017, 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 report. 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 months ended 30 September 2017.

## **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 2017 and the date of this report, 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\$65.1 million for the six months ended 30 September 2016 to approximately HK\$87.3 million for the six months ended 30 September 2017, representing an increase of approximately 34.2%. Segmentally, revenue generated from the results announcements and financial reports segment, the company announcements and shareholders circulars segment and debt offering circulars and initial public offering prospectuses segments increased by approximately HK\$14.1 million, approximately HK\$4.5 million and approximately HK\$4.6 million respectively.

### **Cost of services**

The Group's cost of services mainly included translation cost, printing cost and staff cost, which represented approximately 32.8%, 31.4% and 28.8% of the Group's total cost of services for the six months ended 30 September 2017 respectively. The Group's cost of services increased from approximately HK\$29.9 million for the six months ended 30 September 2016 to approximately HK\$39.4 million for the six months ended 30 September 2017, representing an increase of approximately 31.9%. 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\$35.2 million for the six months ended 30 September 2016 to approximately HK\$47.9 million for the six months ended 30 September 2017, representing an increase of approximately 36.2%. The increase was mainly attributable to the increase in revenue generated from the results announcements and financial reports segment, the company announcements and shareholders circulars segment and the debt offering circulars and initial public offering prospectuses segments.

## Management Discussion and Analysis

### Other income

The Group's other income was approximately HK\$0.1 million and approximately HK\$0.8 million for the six months ended 30 September 2016 and 2017 respectively, which remained relatively stable.

### Selling and distribution expenses

The Group's selling and distribution expenses increased from approximately HK\$5.0 million for the six months ended 30 September 2016 to approximately HK\$8.1 million for the six months ended 30 September 2017. 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 increased from approximately HK\$11.8 million for the six months ended 30 September 2016 to approximately HK\$14.8 million for the six months ended 30 September 2017. The increases was mainly attributable to (i) the increase in depreciation of plant and equipment by approximately HK\$0.8 million; (ii) the increase in information technology expenses by approximately HK\$0.8 million; and (iii) the increase in rent and rates by approximately HK\$0.5 million.

### Income tax expenses

The Group's income tax expenses increased from approximately HK\$3.1 million for the six months ended 30 September 2016 to approximately HK\$4.3 million for the six months ended 30 September 2017. 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 39.8% or approximately HK\$6.2 million from approximately HK\$15.4 million for the six months ended 30 September 2016 to approximately HK\$21.6 million for the six months ended 30 September 2017. The increase was mainly attributable to the expansion of the Group's customer base of companies listed on the Stock Exchange for the six months ended 30 September 2017.

### GEARING RATIO

As at 31 March 2017 and 30 September 2017, the Group did not have any interest-bearing debt and hence the 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 2017 and 30 September 2017, the Group had net current assets of approximately HK\$78.1 million and HK\$99.9 million respectively. As at 31 March 2017 and 30 September 2017, the Group had cash and cash equivalents of approximately HK\$66.0 million and HK\$92.4 million respectively. As at 31 March 2017 and 30 September 2017, 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 2017, the Group employed 93 full time employees (as at 30 September 2016: 77) for its activities. Employees' costs (including Directors' emoluments) amounted to approximately HK\$24.4 million for the reporting period (six months ended 30 September 2016: HK\$18.6 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 individual employees and prevailing market rates.

### **CAPITAL COMMITMENTS AND FINANCING NEEDS**

As at 30 September 2017, 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 and the section headed "Business strategies review with progress of implementation" of this report, 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 2017.

### **CHARGES ON THE GROUP'S ASSETS**

As at 30 September 2017 and 2016, 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 and this report, there was no specific plan for material investments or capital assets as at 30 September 2017.

### **CONTINGENT LIABILITIES**

As at 30 September 2016 and 2017, the Group did not have any significant contingent liabilities.

## Management Discussion and Analysis

### **DIVIDENDS**

The Directors do not recommend the payment of any dividend for the six months ended 30 September 2017 (six months ended 30 September 2016: 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 report.

### **APPRECIATION**

I 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. I also wish to express my heartfelt appreciation to all of our staff for their dedication and hard work throughout the period.

**Lam Kim Wan**

*Chairman*

Hong Kong, 10 November 2017

## 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 2017, 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:

#### Long position 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%
Mr. Yue Ming Wai Bonaventure	Long position	Beneficial interest	580,000	0.1%

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 2017, 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).

## Other Information

Save as disclosed above, as at 30 September 2017, 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 2017, 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:

#### Long position in shares of the Company

NAME	LONG/SHORT POSITION	CAPACITY	NUMBER OF SHARES HELD	APPROXIMATE PERCENTAGE OF ISSUED SHARE CAPITAL
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 2017, 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 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 during the six months ended 30 September 2017, and there was no share option outstanding as at 30 September 2017. As at 30 September 2017, 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 report.

#### **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 2017.

#### **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 Company has adopted the code provisions as set out in the Corporate Governance Code (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 2017, except for the deviation from CG Code provision A.2.1, the Company has complied with the code provisions as set out in the CG Code. CG Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

Mr. Fong Wing Kong has been redesignated from an executive Director and chief financial officer of the Company to the chief executive officer of the Company with effect from 10 August 2017, and will continue to be an executive Director (for details, please refer to the announcement of the Company dated 10 August 2017 in relation to, among others, redesignation of chief executive officer). Following the redesignation of Mr. Fong Wing Kong, the Company has complied with CG Code provision A.2.1.

## Other Information

### **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 during the six months ended 30 September 2017.

### **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted the required standard of dealings in the securities (the "Required Standard of Dealings") as contained in Rules 5.46 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 during the six months ended 30 September 2017.

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 during the six months ended 30 September 2017. 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 during the six months ended 30 September 2017 to the date of this report.

### **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 report, 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 six months ended 30 September 2017.

### **INTEREST OF COMPLIANCE ADVISER**

As at 30 September 2017, as notified by the Company's compliance adviser, Altus Capital Limited ("Altus Capital"), except for the compliance adviser's agreement entered into between the Company and Altus Capital on 10 July 2015, 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. The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2017.

### **CHANGES IN DIRECTORS' INFORMATION**

On 10 August 2017, Mr. Fong Wing Kong was redesignated from an executive Director and chief financial officer of the Company to the chief executive officer of the Company, and will continue to be an executive Director (for details, please refer to the announcement of the Company dated 10 August 2017 in relation to, among others, redesignation of chief executive officer).

Save as disclosed above, there had not been any other changes to Directors' information as required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules.

## Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

	NOTES	SIX MONTHS ENDED 30 SEPTEMBER	
		2017 HK\$'000 (UNAUDITED)	2016 HK\$'000 (UNAUDITED)
Revenue	4	<b>87,311</b>	65,050
Cost of services		<b>(39,393)</b>	(29,869)
Gross profit		<b>47,918</b>	35,181
Other income	6	<b>807</b>	134
Selling and distribution expenses		<b>(8,079)</b>	(5,005)
Administrative expenses		<b>(14,798)</b>	(11,813)
Profit before tax		<b>25,848</b>	18,497
Income tax expense	7	<b>(4,265)</b>	(3,060)
Profit and total comprehensive income attributable to the owners of the Company	8	<b>21,583</b>	15,437
Earnings per share (HK cents)			
– Basic and diluted	10	<b>5.40</b>	3.96

## Unaudited Condensed Consolidated Statement of Financial Position

AS AT 30 SEPTEMBER 2017

	NOTES	AT 30 SEPTEMBER 2017 HK\$'000 (UNAUDITED)	AT 31 MARCH 2017 HK\$'000 (AUDITED)
<b>Non-current assets</b>			
Plant and equipment	11	<b>8,388</b>	6,928
Goodwill		<b>11,423</b>	11,423
Deposits paid for acquisition of plant and equipment		-	1,627
Rental deposits		<b>1,114</b>	1,114
		<b>20,925</b>	21,092
<b>Current assets</b>			
Amounts due from customers on services contracts		<b>2,730</b>	7,208
Trade and other receivables	12	<b>35,815</b>	25,612
Income tax recoverable		<b>1,425</b>	1,425
Bank balances		<b>92,437</b>	65,950
		<b>132,407</b>	100,195
<b>Current liabilities</b>			
Trade and other payables	13	<b>27,967</b>	21,770
Income tax payables		<b>4,560</b>	295
		<b>32,527</b>	22,065
<b>Net current assets</b>		<b>99,880</b>	78,130
		<b>120,805</b>	99,222
<b>Non-current liability</b>			
Deferred tax liabilities		<b>212</b>	212
		<b>120,593</b>	99,010
<b>Capital and reserves</b>			
Share capital	14	<b>4,000</b>	4,000
Reserves		<b>116,593</b>	95,010
		<b>120,593</b>	99,010

## Unaudited Condensed Consolidated Statement of Changes in Equity

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

	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 2017 (audited)	4,000	35,954	(1)	59,057	99,010
Profit and total comprehensive income for the period	-	-	-	21,583	21,583
At 30 September 2017 (unaudited)	4,000	35,954	(1)	80,640	120,593
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)	4,000	35,954	(1)	46,890	86,843

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.

## Unaudited Condensed Consolidated Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

	2017 HK\$'000 (UNAUDITED)	2016 HK\$'000 (UNAUDITED)
NET CASH FROM OPERATING ACTIVITIES	<b>29,411</b>	12,419
NET CASH USED IN INVESTING ACTIVITIES	<b>(2,924)</b>	(791)
NET CASH FROM FINANCING ACTIVITIES	-	25,553
NET INCREASE IN CASH AND CASH EQUIVALENTS	<b>26,487</b>	37,181
CASH AND CASH EQUIVALENTS AT 1 APRIL	<b>65,950</b>	24,041
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER, represented by bank balances	<b>92,437</b>	61,222

# Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

## 1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as combined 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 "BVI")). The address of the registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and the address of principal place of business of the Company is located at 2/F, 35-45B Bonham Strand, Sheung Wan, Hong Kong. The shares of the Company have been listed on the GEM of the Stock Exchange with effect from 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

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 2017.

### 3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements for the six months ended 30 September 2017 have been prepared in accordance with the Hong Kong Financial Reporting Standards (“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 provisions of the GEM Listing Rules and the Hong Kong Companies Ordinance.

All HKFRSs effective for the accounting periods commencing from 1 April 2017 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.

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

### 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	
	2017 HK\$'000 (UNAUDITED)	2016 HK\$'000 (UNAUDITED)
Results announcements and financial reports	<b>44,120</b>	30,002
Company announcements and shareholder circulars	<b>25,993</b>	21,457
Debt offering circulars and initial public offering prospectuses	<b>10,711</b>	6,066
Fund documents	<b>1,591</b>	2,701
Others	<b>4,896</b>	4,824
	<b>87,311</b>	65,050

### 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	
	2017 HK\$'000 (UNAUDITED)	2016 HK\$'000 (UNAUDITED)
Bank interest income	<b>1</b>	1
Sponsorship income	-	133
Recovery of impairment loss of trade receivables	<b>806</b>	-
	<b>807</b>	134

## 7. INCOME TAX EXPENSE

	SIX MONTHS ENDED 30 SEPTEMBER	
	2017 HK\$'000 (UNAUDITED)	2016 HK\$'000 (UNAUDITED)
Current tax:		
Hong Kong Profits Tax	<b>4,265</b>	3,060
Deferred taxation	-	-
	<b>4,265</b>	3,060

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	
	2017 HK\$'000 (UNAUDITED)	2016 HK\$'000 (UNAUDITED)
Profit for the period has been arrived at after charging:		
Salaries, wages and other benefits	<b>22,089</b>	16,359
Contribution to defined contribution retirement benefits scheme	<b>540</b>	440
Total staff costs (excluding directors' remuneration)	<b>22,629</b>	16,799
Directors' emoluments	<b>1,768</b>	1,775
Depreciation of plant and equipment	<b>1,465</b>	674
Impairment loss of trade receivables (included in administrative expenses)	-	486
Operating lease charges in respect of office premises and certain office equipment	<b>2,092</b>	1,593

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

### 9. DIVIDENDS

The Board does not recommend the payment of any dividend for the six months ended 30 September 2017 (six months ended 30 September 2016: Nil).

### 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	
	2017 HK\$'000 (UNAUDITED)	2016 HK\$'000 (UNAUDITED)
Earnings		
Earnings for the purpose of basic earnings per share	<b>21,583</b>	15,437
	SIX MONTHS ENDED 30 SEPTEMBER	
	2017 '000	2016 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<b>400,000</b>	390,110
Basic and diluted earnings per share (HK cents)	<b>5.40</b>	3.96

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 2017 and 2016.

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

## 11. PLANT AND EQUIPMENT

During the reporting period, the Group spent approximately HK\$2,924,000 (six months ended 30 September 2016: approximately HK\$792,000) on acquisition of plant and equipment.

## 12. TRADE AND OTHER RECEIVABLES

	AT 30 SEPTEMBER 2017 HK\$'000 (UNAUDITED)	AT 31 MARCH 2017 HK\$'000 (AUDITED)
Trade receivables	<b>35,821</b>	26,923
Less: Allowance for impairment of trade receivables	<b>(2,365)</b>	(3,170)
	<b>33,456</b>	23,753
Prepayments	<b>1,618</b>	1,092
Deposits	<b>741</b>	767
Trade and other receivables	<b>35,815</b>	25,612

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.

	AT 30 SEPTEMBER 2017 HK\$'000 (UNAUDITED)	AT 31 MARCH 2017 HK\$'000 (AUDITED)
Within 30 days	<b>13,477</b>	12,879
31 to 60 days	<b>7,967</b>	4,746
61 to 90 days	<b>4,300</b>	1,622
Over 90 days	<b>7,712</b>	4,506
Total	<b>33,456</b>	23,753

Included in prepayments as at 30 September 2017, balance of approximately HK\$741,000 (as at 31 March 2017: HK\$767,000) is prepayment to a related company in relation to the provision of translation services.

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

### 13. TRADE AND OTHER PAYABLES

	AT 30 SEPTEMBER 2017 HK\$'000 (UNAUDITED)	AT 31 MARCH 2017 HK\$'000 (AUDITED)
Trade payables	<b>11,217</b>	8,594
Customer deposit	<b>5,444</b>	3,909
Accrued bonus and commission	<b>7,842</b>	5,240
Accruals	<b>3,464</b>	4,027
Trade and other payables	<b>27,967</b>	21,770

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

	AT 30 SEPTEMBER 2017 HK\$'000 (UNAUDITED)	AT 31 MARCH 2017 HK\$'000 (AUDITED)
Within 30 days	<b>4,651</b>	6,812
31 to 60 days	<b>1,914</b>	1,260
61 to 90 days	<b>3,513</b>	64
Over 90 days	<b>1,139</b>	458
Trade payables	<b>11,217</b>	8,594

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

	NUMBER OF ORDINARY SHARES	SHARE CAPITAL HK\$
Ordinary share of HK\$0.01 each		
<i>Authorised:</i>		
At 31 March 2017 and 30 September 2017	8,000,000,000	80,000,000
<i>Issued and fully paid:</i>		
At 1 April 2016 (audited)	100,000	1,000
Issue of new shares upon completion of Reorganisation (note (a))	299,900,000	2,999,000
Issue of new shares upon listing (note (a))	100,000,000	1,000,000
At 31 March 2017 and 30 September 2017 (unaudited)	400,000,000	4,000,000

Notes:

- (a) 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.
- (b) All shares issued rank pari passu in all respects with all shares then in issue.

## Notes to the Unaudited Condensed Consolidated Interim Financial Statements

FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2017

### 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	
				2017	2016
				HK\$'000 UNAUDITED	HK\$'000 UNAUDITED
Supreme Bond Limited ("SBL")	50% indirectly owned by the controlling shareholders of the Company	Translation service fee paid or payable to related company		<b>1,547</b>	1,424
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	(i)	<b>1,282</b>	1,572

\* The English name is for identification purposes only.

Notes:

- (i) Nature Success was a subsidiary of SBL during both periods.  
(ii) 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:

	SIX MONTHS ENDED 30 SEPTEMBER	
	2017	2016
	HK\$'000 (UNAUDITED)	HK\$'000 (UNAUDITED)
Short-term benefits	<b>4,768</b>	5,960
Post employment benefits	<b>63</b>	99
	<b>4,831</b>	6,059

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.

