中國金洋集團有限公司
CHINA GOLDJOY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1282)

2016 ANNUAL RESULTS ANNOUNCEMENT

The board of directors (the "Board") of China Goldjoy Group Limited (the "Company") would like to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2016 together with the comparative figures for 2015.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2016

	Notes	2016 HK$'000	2015 HK$'000
Revenue	3	**995,560**	711,849
Cost of sales	4	**(522,122)**	,(446,913)
Gross profit		**473,438**	264,936
Other gain/(loss) – net		**150**	(8,398)
Other income – net		**79,282**	81,810
Fair value gain on investment properties		**462,734**	–
Distribution costs	4	**(22,086)**	(22,339)
Administrative expenses	4	**(174,918)**	(106,098)
Operating profit		**818,600**	209,911
Finance income – net	5	**19,898**	1,732
Share of profit/(loss) of associates		**13,532**	(624)
Provision for impairment of investment in an associate		**(2,400)**	(4,200)
Profit before income tax		**849,630**	206,819
Income tax expense	6	**(195,221)**	(25,132)
Profit for the year		**654,409**	181,687
Profit attributable to:			
Owners of the Company		**466,593**	181,687
Non-controlling interests		**187,816**	–
		654,409	181,687
Other comprehensive (loss)/income:			
Items that may be reclassified to profit or loss:			
Fair value (loss)/gain on available-for-sale financial assets		**(80,129)**	142,519
Currency translation differences		**18,566**	(14,411)
Other comprehensive (loss)/income for the year		**(61,563)**	128,108
Total comprehensive income for the year attributable to:			
Owners of the Company		**405,030**	309,795
Non-controlling interests		**187,816**	–
		592,846	309,795
Earnings per share for profit attributable to equity holders of the Company			
– basic (expressed in Hong Kong cents per share)	7	**2.15**	2.36
– diluted (expressed in Hong Kong cents per share)	7	**2.15**	2.36

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 31 December 2016

	Notes	**2016** **HK$'000**	2015 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**387,223**	1,051
Investment properties		**1,590,524**	–
Intangible assets		**202,659**	49,263
Investments in associates		**82,207**	7,771
Available-for-sale financial assets		**986,777**	287,129
Trade receivables	9	**3,377**	3,946
		3,252,767	349,160
Current assets			
Inventories		**36,069**	16,030
Loans and advances		**987,605**	–
Trade receivables	9	**234,420**	109,513
Prepayments, deposits and other receivables		**34,033**	6,435
Current income tax recoverables		**1,651**	2,271
Held-to-maturity investment		**25,000**	–
Financial assets at fair value through profit or loss		**748,901**	343,905
Client trust bank balances		**50,485**	–
Cash and cash equivalents		**1,535,633**	3,251,561
		3,653,797	3,729,715
Assets classified as held-for-sale	10	**99,176**	253,125
		3,752,973	3,982,840
Total assets		**7,005,740**	4,332,000

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
As of 31 December 2016

	Notes	2016 HK$'000	2015 HK$'000
EQUITY			
Owner's equity attributable to the Company's equity holders			
Share capital		**2,214,860**	2,154,860
Share premium		**2,402,151**	2,054,151
Other reserves and retained earnings/ (accumulated deficits)		**85,586**	(59,006)
		4,702,597	4,150,005
Non-controlling interests		**446,765**	–
Total equity		**5,149,362**	4,150,005
LIABILITIES			
Non-current liabilities			
Other payable		**257,159**	–
Bank borrowings		**–**	12,500
Deferred income tax liabilities		**184,915**	11,900
		442,074	24,400
Current liabilities			
Trade and bill payables	11	**176,563**	45,043
Accruals and other payables		**413,516**	25,513
Bank borrowings		**779,572**	17,725
Current income tax liabilities		**27,323**	8,759
		1,396,974	97,040
Liabilities classified as held-for-sale	10	**17,330**	60,555
		1,414,304	157,595
Total liabilities		**1,856,378**	181,995
Total equity and liabilities		**7,005,740**	4,332,000

NOTES

1 GENERAL INFORMATION

China Goldjoy Group Limited (the "Company") was incorporated in the Cayman Islands on 17 July 2009 as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (collectively, the "Group") are principally engaged in the trading and provision of services with respect to automation related equipment (the "Automation"), financial services (the "Financial Services"), the manufacturing of a range of high-technology and new energy products (the "Manufacturing") and securities investment (the "Securities Investment").

The Company's shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 15 December 2010.

The consolidated financial statements are presented in thousands of units of Hong Kong dollars, unless otherwise stated. These financial statements have been approved for issue by the Board of Directors on 10 March 2017.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets and liabilities at fair value through profit or loss and available-for-sale financial assets, which are carried at fair values.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

2.2 Changes in accounting policy and disclosures

(a) Amended standards and interpretation adopted by the Group

The following amendments to standards have been adopted by the Group for the first time for the financial year beginning on or after 1 January 2016:

HKFRSs (Amendment)	Annual improvements 2012–2014 cycle
HKFRS 11 (Amendment)	Accounting for acquisitions of interests in joint operations
HKAS 16 and HKAS 38 (Amendment)	Clarification of acceptable methods of depreciation and amortisation
HKAS 1 (Amendment)	Disclosure initiative
HKFRS 10 and HKAS 28 (Amendment)	Sales or contribution of assets between an investor and its associate or joint venture
HKAS 16 and HKAS 41 (Amendment)	Agriculture Bearer Plants
HKAS 27 (Amendment)	Equity method in separate financial statements
HKFRS 10, HKFRS 12 and HKAS 28 (Amendment)	Investment entities: Applying the consolidation exception

The adoption of these amendments did not have any impact on the current period or any prior period.

(b) *New standard and amendments to standards have been issued but not effective for the financial year beginning on or after 1 January 2016 and have not been early adopted:*

		Effective for annual periods beginning on or after
HKAS 7 (Amendment)	Disclosure initiative	1 January 2017
HKAS 12 (Amendment)	Recognition of deferred tax assets for unrealised losses	1 January 2017
HKFRS 2 (Amendment)	Classification and measurement of share-based payment transactions	1 January 2018
HKFRS 9	Financial instruments	1 January 2018
HKFRS 15	Revenue from contracts with customers	1 January 2018
HKFRS 16	Leases	1 January 2019
HKFRS 10 and HKAS 28 (Amendment)	Sale or contribution of assets between an investor and its associate or joint venture	To be determined

The Group has not early adopted these new standards and amendments to the existing standards in the financial statements for the year ended 31 December 2016. The Group plans to apply the above standards and amendments when they become effective. The Group has already commenced an assessment of the related impact to the Group and it is not yet in a position to state whether any substantial changes to Group's significant accounting policies and presentation of the financial information will result.

3 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the Chief Executive Officer of the Company (the "CEO") that are used to make strategic decisions.

In order to broaden the source of income and offer better returns to shareholders, the Board has adopted Financial Services as one of the principal business activities of the Group during the year. The Directors will seek potential business opportunities in the financial services market so as to better utilise the existing resources to maximise return to the shareholders, broaden the income source and improve the financial position of the Group.

The reportable segments were classified as Automation, Financial Services, Manufacturing and Securities Investment.

The revenue from external parties reported to the CEO is measured in a manner consistent with that in the consolidated financial statements.

Certain other gain/(loss) – net, other income – net, fair value gain on investment properties and administrative expenses are not allocated to segments, as they are inseparable and not attributable to particular reportable segments. The CEO assesses the performance of the operating segments based on a measure of operating profit after adjusting these items.

Sales between segments were carried out at arm's-length. The Group's revenue by segment is as follows:

	2016			2015		
	Total segment revenue	**Inter segment revenue**	**Revenue from external customers**	Total segment revenue	Inter segment revenue	Revenue from external customers
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Automation	**553,680**	**–**	**553,680**	344,566	(87)	344,479
Financial Services	**91,073**	**(6,120)**	**84,953**	–	–	–
Manufacturing	**58,080**	**–**	**58,080**	161,633	–	161,633
Securities Investment	**298,847**	**–**	**298,847**	205,737	–	205,737
Total	**1,001,680**	**(6,120)**	**995,560**	711,936	(87)	711,849

Reportable segment information is reconciled to profit before income tax as follows:

	2016	2015
	HK$'000	*HK$'000*
Operating profit/(loss)		
Automation	**32,608**	(26)
Financial Services	**50,623**	–
Manufacturing	**(35,103)**	40,872
Securities Investment	**311,548**	204,300
Total	**359,676**	245,146
Unallocated:		
Other gain/(loss) – net	**150**	(6,498)
Other income – net	**39,973**	3,576
Fair value gain on investment properties	**462,734**	–
Administrative expenses	**(43,933)**	(32,313)
Finance income – net	**19,898**	1,732
Share of profit/(loss) of associates	**13,532**	(624)
Provision for impairment of investment in an associate	**(2,400)**	(4,200)
Profit before income tax	**849,630**	206,819

	2016	2015
	HK$'000	*HK$'000*
Other segment items – depreciation and amortisation		
Automation	**(3,157)**	(3,289)
Financial Services	**(4,366)**	–
Manufacturing	**(609)**	(24,702)
Securities Investment	**(24)**	–
Unallocated	**(2,277)**	(3,629)
	(10,433)	(31,620)

During the year ended 31 December 2016, the Group did not recognise any provision for impairment of inventories. During the year ended 31 December 2015, the Group recognised provision for impairment of inventories of HK$1,000,000 in the segment results of Manufacturing segment.

During the year ended 31 December 2016, the Group recognised provision for impairment of intangible assets of HK$5,042,000 in unallocated segment. During the year ended 31 December 2015, the Group recognised provision for impairment of intangible assets of HK$5,579,000 in the segment results of Manufacturing segment.

The assets are reconciled to total assets as follows:

	2016	2015
	HK$'000	*HK$'000*
Segment assets		
Automation	**366,135**	204,042
Financial Services	**1,356,026**	–
Manufacturing	**134,876**	6,514
Securities Investment	**1,753,390**	473,326
Segment assets for reportable segments	**3,610,427**	683,882
Unallocated:		
Property, plant and equipment	**371,701**	634
Investment properties	**1,590,524**	–
Available-for-sale financial assets	**170,280**	287,129
Investments in associates	**82,207**	7,771
Prepayments, deposits and other receivables	**4,412**	4,248
Current income tax recoverable	**1,651**	2,271
Held-to-maturity investment	**25,000**	–
Financial assets at fair value through profit or loss	**23,280**	–
Cash and cash equivalents	**1,027,082**	3,092,940
Assets classified as held-for-sale *(Note 10)*	**99,176**	253,125
Total assets	**7,005,740**	4,332,000

The information provided to the CEO with respect to total assets are measured in a manner consistent with that of the consolidated financial statements. Segment assets represent property, plant and equipment, intangible assets, available-for-sale financial assets, loans and advances, trade receivables, prepayments, deposits and other receivables, cash and cash equivalents, client trust bank balances, goodwill, inventories and financial assets at fair value through profit or loss attributable to various reportable segments.

Unallocated segment assets comprise property, plant and equipment, investment properties, prepayments, deposits and other receivables, cash and cash equivalents, investments in associates, current income tax recoverable, held-to-maturity investment, financial assets at fair value through profit or loss and, available-for-sale financial assets which are inseparable and are not attributable to particular reportable segments, as well as assets classified as held-for-sale.

Reportable segments liabilities are reconciled to total liabilities as follows:

	2016	2015
	HK$'000	*HK$'000*
Segment liabilities		
Automation	**212,765**	62,114
Financial Services	**454,203**	–
Manufacturing	**11,043**	43
Securities Investment	**606,197**	78
Segment liabilities for reportable segments	**1,284,208**	62,235
Unallocated:		
Accruals and other payables	**171,552**	13,547
Bank borrowings	**171,050**	25,000
Current income tax liabilities	**27,323**	8,759
Deferred income tax liabilities	**184,915**	11,899
Liabilities classified as held-for-sale *(Note 10)*	**17,330**	60,555
Total liabilities	**1,856,378**	181,995

The information provided to the CEO with respect to total liabilities are measured in a manner consistent with that of the consolidated financial statements. Segment liabilities represent trade and bills payables, accruals and other payables and bank borrowings attributed to various reportable segments.

Unallocated segment liabilities comprise accruals and other payables, bank borrowings, current income tax liabilities, deferred income tax liabilities and liabilities classified as held-for-sale, which are inseparable and are not attributable to particular reportable segments.

Revenue from external customers for Manufacturing and Automation segments are derived from the sales of goods net of returns and rebates. Revenue from Securities Investment segment is derived from realised and unrealised gains/(losses) of financial assets at fair value through profit or loss. Revenue from Financial Services includes commission and brokerage income on dealings in securities and future contracts, interest income from loans and advances, consulting fee income, management fee and performance fee income from financial services.

The Group's revenue of Automation and Manufacturing segments are derived from external customers located in China and the United States of America, is HK$592,128,000 (2015: HK$437,790,000) and HK$5,962,000 (2015: HK$4,099,000) respectively, while the remaining revenue including Financial Services and Securities Investment segments is derived from customers located in Hong Kong.

The total amount of non-current assets other than financial instruments located in China and Hong Kong is HK$1,609,600,000 (2015: HK$5,932,000) and HK$650,993,000 (2015: HK$48,328,000) respectively, and the total amount of these non-current assets located in other countries is HK$5,397,000 (2015: HK$7,771,000).

4 EXPENSES BY NATURE

	2016	2015
	HK$'000	*HK$'000*
Employee benefit expenses	**85,724**	70,054
Director's and chief executive's emoluments	**5,400**	3,890
Cost of inventories	**501,719**	393,527
Provision for impairment of inventories	**–**	1,000
Provision for impairment of intangible assets	**3,542**	3,679
Provision for impairment of trade receivables	**–**	3,252
Provision for impairment of prepayments	**–**	637
Auditor's remuneration		
– Audit services	**3,282**	1,792
– Non-audit services	**3,352**	910
Depreciation of property, plant and equipment	**3,132**	15,152
Amortisation of intangible assets	**7,301**	–
Operating lease rentals – office premises, factory and warehouse	**9,667**	6,757
Amortisation of land use right	**–**	115
Consumables and factory supplies	**368**	622
Electricity, water and utilities expenses	**8,372**	6,725
Freight and transportation	**3,302**	4,759
Bank charges	**5,423**	1,825
Other tax levies	**3,592**	4,198
Research and development expenses		
– Employee benefit expenses	**–**	4,069
– Amortisation of intangible assets	**–**	16,353
Commission expenses	**14,991**	12,587
Advertising and promotion expenses	**3,601**	3,735
(Gain)/loss on disposal of property, plant and equipment and intangible assets	**(168)**	444
Net foreign exchange losses/ (gains)	**9,021**	(5,654)
Legal and professional fees	**10,338**	2,578
Others	**37,167**	22,344
Total cost of sales, distribution costs and administrative expenses	**719,126**	575,350

5 FINANCE INCOME – NET

	2016	2015
	HK$'000	*HK$'000*
Finance income:		
– Interest income on bank deposits	**12,193**	8,221
– Interest income on financial assets at fair value through profit or loss	**1,640**	–
– Interest income on loan to an independent third party	**6,887**	–
	20,720	8,221
Finance costs:		
– Bank loans	**(461)**	(4,869)
– Trust receipt loans	**(361)**	(1,281)
– Notional accretion of interest on contingent consideration payable	**–**	(339)
	(822)	(6,489)
Finance income – net	**19,898**	1,732

6 INCOME TAX EXPENSE

	2016	2015
	HK$'000	*HK$'000*
Current income tax		
– Hong Kong profits tax	**14,970**	7,800
– Overseas and China income tax	**8,508**	9,743
	23,478	17,543
Under provision in prior years	**10**	57
	23,488	17,600
Deferred income tax	**171,733**	7,532
	195,221	25,132

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profit for the year.

The statutory income tax rate applicable to entities operating in China is 25% (2015: 25%). A 5% withholding income tax is also imposed on dividends relating to profits remitted from the subsidiaries in China.

Overseas income tax has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the country in which the Group operates.

7 EARNINGS PER SHARE

(a) Basic

The basic earnings per share is calculated by dividing the profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue.

	2016	2015
Profit attributable to equity holders of the Company *(HK$'000)*	**466,593**	181,687
Weighted average number of ordinary shares in issue *(thousands)*	**21,668,270**	7,704,980
Basic earnings per share *(expressed in HK cents per share)*	**2.15**	2.36

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares: share options. For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's share) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	2016	2015
Earnings		
Profit attributable to equity holders of the Company *(HK$'000)*	**466,593**	181,687
Weighted average number of ordinary shares in issue (thousands)	**21,668,270**	7,704,980
Adjustments for:		
– Share options *(thousands)*	**974**	3,774
Weighted average number of ordinary shares for diluted earnings per share *(thousands)*	**21,669,244**	7,708,754
Diluted earnings per share *(expressed in HK cents per share)*	**2.15**	2.36

8 DIVIDENDS

	2016	2015
	HK$'000	*HK$'000*
2016 proposed final dividend – HK$0.32 cents (2015: HK$0.25 cents) per share	**70,876**	–
2015 final dividend paid – HK$0.25 cents (2014: Nil) per share	**–**	53,871
	70,876	53,871

A final dividend in respect of the financial year ended 31 December 2016 of HK$0.32 cents per share (2015: HK$0.25 cents per share), amounting to a total dividend of HK$70,876,000 (2015: HK$53,871,000), is to be proposed at the forthcoming Annual General Meeting. The amount of 2016 proposed final dividend is based on 22,148,598,000 shares in issue as at 31 December 2016 (2015: 21,548,598,000 shares in issue as at 31 December 2015). These consolidated financial statements do not reflect this dividend payable.

9 TRADE RECEIVABLES

	2016	2015
	HK$'000	*HK$'000*
Trade receivables	**240,298**	113,849
Less: Provision for impairment of receivables	**(2,501)**	(390)
Trade receivables – net	**237,797**	113,459
Less: non-current portion	**(3,377)**	(3,946)
Current portion	**234,420**	109,513

For customers of Manufacturing, the Group generally grants a credit period of 30 to 90 days to its customers. For customers of Automation products, a credit period ranging from 30 days to 60 days after acceptance is generally granted with exception of some trade customers where the credit period of 12-18 months are granted. The ageing analysis of trade receivables based on invoice date is as follows:

	2016	2015
	HK$'000	*HK$'000*
0 to 30 days	**123,266**	51,906
31 to 60 days	**37,477**	17,203
61 to 90 days	**14,703**	13,040
91 to 120 days	**6,885**	21,560
Over 120 days	**57,967**	10,140
	240,298	113,849

10 ASSETS AND LIABILITIES CLASSIFIED AS HELD-FOR-SALE

As at 31 December 2015, the assets and liabilities related to Charming Lion Limited, World Fair International Limited and Heshan World Fair Electronics Technology Limited (collectively known as "Charming Lion Group"), wholly-owned subsidiaries of the Group, have been presented as held-for-sale following the approval of the Group's management to sell Charming Lion Group.

During the year ended 31 December 2016, the Group's management has refined the disposal plan and identified the specified assets and liabilities to be classified as held-for-sale as disclosed below. As a result, certains assets had been reclassified from 'assets of disposal group classified as held-for-sale' back to the Group.

The Group will continue to engage in manufacturing business subsequent to the sale of Charming Lion Group.

(a) Assets of Charming Lion Group classified as held-for-sale

	2016	2015
	HK$'000	*HK$'000*
Property, plant and equipment	**65,569**	66,013
Land use right	**4,575**	4,575
Deferred income tax assets	**1,089**	8,992
Trade receivables	**–**	16,834
Prepayments, deposits and other receivables	**716**	9,112
Inventories	**27,227**	53,238
Cash and cash equivalents	**–**	92,830
Available-for-sale financial assets	**–**	559
Financial assets at fair value through profit or loss	**–**	972
Total	**99,176**	253,125

(b) Liabilities of Charming Lion Group classified as held-for-sale

	2016	2015
	HK$'000	*HK$'000*
Bank borrowings	**–**	17,045
Trade payables	**6,943**	17,200
Accruals and other payables	**5,360**	13,396
Deferred income tax liabilities	**181**	156
Current income tax liabilities	**4,846**	12,758
Total	**17,330**	60,555

11 TRADE AND BILL PAYABLES

	2016	2015
	HK$'000	*HK$'000*
Trade payables	**174,669**	43,074
Bill payables	**1,894**	1,969
	176,563	45,043

The ageing analysis of the trade and bill payables based on invoice date is as follows:

	2016	2015
	HK$'000	*HK$'000*
0 to 30 days	**98,059**	24,512
31 to 60 days	**20,953**	15,704
61 to 90 days	**8,248**	2,278
91 to 120 days	**8,487**	–
Over 120 days	**40,816**	2,549
	176,563	45,043

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

2016 was a significant year for the Group's development. China's economy has been transforming and upgrading, and along with the continuous open of the financial market in the mainland, especially upon the open of Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, great opportunities were brought to the Hong Kong financial market. The Group upheld the philosophy of industrial development and value investment, relying on the advantages of Hong Kong's platform, and closely grasped the business opportunities of the transformation and upgrading of Chinese market and economy to actively implement the business transformation strategy. In 2016, the Group has eliminated its low-profit and low value-added electronic manufacturing business and increased its investment in high value-added business. The principal business of the Group is automation business, integrated financial services and diversified investment. The results show that the Group's transformation strategy has achieved remarkable results during the year. The Group's shares are included in a number of HIS constituent stocks, and also as one of the investable stocks in Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, which fully demonstrate the recognition of the Company's value.

Business review

Automation

During the year, the Automation segment recorded a significant increase in revenue of 60.7% to HK$553.7 million (2015: HK$344.5 million), accounting for 55.6% of the Group's total revenue (2015: 48.4%). With the challenged environment, Gallant Tech spared its efforts to explore the market need of automatic manufacturing equipment, especially seized the chances of the rapid development of smart phone and semiconductor industry in China, and successfully obtained several multiple orders with large amount. The sales revenue and profits both recorded pleasing performance.

Financial Services

Revenue from the new Financial Services segment acquired by the Group during the year was HK$85.0 million, contributing to 8.6% of the Group's total revenue (2015: N/A).

With China continuing to pursue in-depth reform and embarking on a new round of efforts to open her economy to foreign investment, the Group has actively seized the opportunity to establish a platform in the financial services market in Hong Kong and by way of acquisition, it expanded a more comprehensive financial business and engaged in providing clients with high-quality financial services that linked China and overseas markets.

In 2016, the Group purchased from China Yinsheng Capital Group Limited ("China Yinsheng") 70% interests in the subsidiaries (the "Subsidiaries") held by it, at a consideration of HK$255,779,000, which marked the Group's formal entry into the financial service market in Hong Kong.

On 12 August 2016, the Group and the non-controlling shareholders completed an addition round of financing in the China Yinsheng Asset Management Limited, China Yinsheng Wealth Management Limited, China Yinsheng Securities Limited, KB Investment Limited, KB Credit Limited and KB Bullion Limited (collectively named as "Goldjoy Holding Group") at a consideration of HK$300,000,000 and HK$33,333,000 respectively. Upon the completion of this round of financing, the Group increased its interest in Goldjoy Holding Group from 70% to 80%. Furthermore, on 29 November 2016, the Group made further investment in Goldjoy Holding Group at a consideration of HK$200,000,000, maintaining its interest in Goldjoy Holding Group at 80%. In December 2016, the Subsidiaries were renamed China Goldjoy Securities Limited ("China Goldjoy Securities"), China Goldjoy Asset Management Limited ("China Goldjoy Asset Management"), China Goldjoy Wealth Management Limited ("China Goldjoy Wealth Management"), China Goldjoy Credit Limited ("China Goldjoy Credit"), China Goldjoy Bullion Limited ("China Goldjoy Bullion") and China Goldjoy Investment Limited ("China Goldjoy Investment").

China Goldjoy Asset Management principally operates Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO in Hong Kong.

China Goldjoy Securities principally engages in the provision of Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities in Hong Kong.

China Goldjoy Wealth Management provides wealth management and insurance services in Hong Kong. The wide array of services it avails included one-stop investment immigration, tax planning, family trusts, wealth management, life insurance, investment-linked savings plans, critical illness and health insurance and general insurance.

China Goldjoy Bullion is a recognised e-trading member of The Chinese Gold & Silver Exchange Society and possesses the valid operating license for Type A1 transaction, which is capable of conducting businesses in 99%-Gold, HK Dollar Kilobar, London gold, London silver, etc..

China Goldjoy Credit provides loan and credit financing services in Hong Kong.

In addition, after China Goldjoy Wealth Management's obtained a Type 6 License (advising on corporate finance) under the SFO in January 2017, the Group now possess a full suite of financial service licenses.

China Goldjoy Investment is an investment holding company that wholly owns Shanghai Hunlicar Investment Management Company Limited ("Hunlicar Capital"), a professional wealth management institution specifically established for the ultra high net worth clients in China. With the obtaining of Private Equity Fund Manager License in China, its principal businesses include the issuance of various types of innovative products for private equity funds, investment management services in Greater China region, allocation and management services for high net worth assets, family trusts advisory service for property inheritance, corporate management and consultation, as well as market financial planning service.

Separately, the Group completed the acquisition of 33.21% equity interests in the mainland financial institution 湛江集付通金融服務股份有限公司 (for identification only, Zhanjiang Jifutong Financial Services Joint Stock Company Limited, "Zhanjiang JFT") in April 2016 (being diluted to 22.62% interest after Zhanjiang JFT issued additional shares on 22 November 2016). Now an associate of the Group, Zhanjiang JFT provides securities investment; provision of consultancy services for financial institutions, trading of goods and provision of credit/ financing facilities services. The acquisition has enabled the Group to lay out and innovate financial business, starting to provide internet financial services and enhance the value of its financial services offerings.

Through acquisition of financial institutions and development of the diversified financial services, the Group is now able to provide more comprehensive financial services to its clients and reap better synergies from cross-selling and having an all-engulfing platform that gives clients convenient access to different financial services.

Manufacturing

As a result of the Group's strategy to eliminate its low-margin and low value-added electronic manufacturing business, revenue from this segment recorded a significant drop of 64.0% to HK$58.1 million (2015: HK$161.6 million), its segment's contribution to the Group's total revenue decreased to 5.8% (2015: 22.7%). At the same time, the Group is also actively seeking the opportunities of manufacturing transformation and upgrading as well as supply-side reform to step into the high-end manufacturing industry with high added-value. The business also included HK$37.4 million (2015: nil) from new energy industry and light-emitting diode ("LED") manufacturing business which started at the second quarter of 2016.

In 2016, the Group held 75.5% equity interests of 深圳邦凱新能源有限公司 (for identification only, Shenzhen B&K New Energy Co., Ltd) by way of acquisition, at a consideration of RMB606,178,800 (equivalent to approximately HK$691,939,000).

Shenzhen B&K is principally engaged in the production and operation of machinery and electronic products and development of new energy technologies. The acquisition has provided the Group with additional resources to develop its new energy and LED manufacturing businesses, and also strengthened its research and development capability.

Shenzhen B&K holds a piece of land (the "Land") of approximately 120,000 square meters in the core area of Guangming New District in Shenzhen. Construction of properties of approximately 100,000 square meters has been completed and the remaining undeveloped land is reserved for the development of a science and technology industrial park.

Securities Investment

Revenue from the Securities Investment segment climbed 45.3% to approximately HK$298.8 million (2015: HK$205.7 million), accounting for 30.0% of the Group's total revenue (2015: 28.9%). The inclusion of this business since 2015 has proven to be successful in broadening the sources of revenue and offering better returns to shareholders.

Investment and Partnership

Seeing copious business possibilities and promises in innovative and cutting-edge technologies, the Group has invested in a number of industry-leading technology companies listed and unlisted, specialising in such as biometric security, wireless data transmission and communications technologies. Besides, in line with its strategic goal to capture development opportunities in financial services enterprises in the PRC, the Group also invests in financial institutions.

Listed Companies

As at 31 December 2016, the Group owns stake in the following listed technology companies: 1) BIO-key (a U.S. public company listed and traded on the OTCQB, specialising in advanced biometric solutions, has filed a listing application with The Nasdaq Capital Market); 2) IDEX ASA (a Norwegian public company listed on the Oslo Axess market of the Oslo Stock Exchange, primarily engages in the development and sales of information technology products).

As a long-term investment, the Group holds approximately 5.47% and 1.16% of the total H shares and total issued shares, respectively, of China Zheshang Bank Co., Ltd. (HKEX: 2016).

Unlisted Companies

As at 31 December 2016, the Group owns stakes in the following unlisted companies: 1) Keyssa Inc. (a U.S. privately-held company that develops wireless technology for data transfer); 2) Kili Corporation ("Kili", a private technology company primarily engages in authentication in civilian markets and secure payment software technology. It holds interests in Square, Inc. ("Square", a mobile payment and retail technology company listed on the New York Stock Exchange), through which the Group also indirectly holds equity interests in Square); and 3) Powermat Technologies Ltd. ("Powermat", a U.S. privately-held company which provides wireless power solutions for consumers, OEMs and public venues).

Properties

As at 31 December 2016, benefiting from the rapid growth in property market price in Shenzhen, the value of lands and properties held by Shenzhen B&K recorded significant appreciation.

In addition, the Group acquired several properties in Admiralty, Hong Kong in November and December 2016. Part of the acquired properties are being used as the headquarters of the Group, and the rest will be leased for property investment purpose. Given its prime location and continuous market demand in Grade A office buildings, the investment properties are expected to bring considerable return to the Group.

Financial Review

Revenue

The Group's revenue for the year ended 31 December 2016 increased by 39.9% to approximately HK$995.6 million (2015: HK$711.8 million). The revenue analysis by segment is below:

	2016		2015		
	HK$' million		*HK$' million*		*% change*
Automation	**553.7**	**55.6%**	344.5	48.4%	60.7%
Financial services	**85.0**	**8.6%**	–	–	N/A
Manufacturing	**58.1**	**5.8%**	161.6	22.7%	(64.0)%
Securities Investment	**298.8**	**30.0%**	205.7	28.9%	45.3%
	995.6	**100%**	711.8	100%	39.9%

During the year ended 31 December 2016, the increase was mainly attributable to increased revenue generated from the (i) existing Automation segment, (ii) Securities Investment segment and (iii) the newly added Financial Services segment. During the year, the Automation segment continued to be the major source of revenue of the Group, accounting for 55.6% of the total revenue. The Group continued to execute its business transformation plan by eliminating its low-margin and low value-added electronic manufacturing business, while the new energy industry and LED manufacturing business has just started during at the second quarter of 2016, the contribution to the Group's revenue from the manufacturing segment decreased to 5.8%.

Gross Profit and Margin

Gross profit for the year improved by a marked 78.7% to approximately HK$473.4 million (2015: HK$264.9 million), while gross profit margin climbed to 47.6% (2015: 37.2%). The change was owed mainly to the better performance of the automation and securities investment segments, as well as contributions of the newly added financial services business.

Other Gain/(Loss) – Net

The net other gain for the year amounted to approximately HK$0.2 million (2015: net other loss HK$8.4 million). The net other gain was mainly due to increase in realised gain of HK$12.6 million (2015: HK$10.3 million) on disposal of available-for-sale financial assets and decrease in impairment loss on goodwill and available-for-sale financial assets.

Other Income – Net

The net other income increased to approximately HK$79.3 million (2015: HK$81.8 million), mainly because of a increase in the net consulting fee income of HK$35.2 million (2015: nil) and dividend income of HK$31.5 million (2015: nil) from available-for-sale investments. Such increase was net off with decrease in net license fee income of HK$78.2 million compared with 2015.

Distribution Costs

Distribution costs remained stable compared to 2015, at HK$22.1 million (2015: HK$22.3 million), accounting for 2.22% (2015: 3.14%) of total revenue.

Administrative Expenses

Administrative expenses increased to approximately HK$174.9 million (2015: HK$106.1 million), mainly due to the (i) increase in exchange loss by HK$14.7 million caused by the depreciation of Renminbi, (ii) increase in legal and professional fee by HK$7.8 million and increase in staff salaries and director's emolument by HK$17.2 million caused by business expansion.

Finance Income – Net

Net finance income was approximately HK$19.9 million (2015: HK$1.7 million). The change primarily reflected the increase in interest income from interest income from bank deposits and loan to an independent third party of approximately HK$12.2 million (2015: HK$8.2 million) and HK$6.9 million (2015: nil) respectively.

Income Tax Expense

Income tax expense increased by approximately 677.7% to approximately HK$195.2 million (2015: HK$25.1 million) because of the deferred tax liability on revaluation of properties at approximately HK$115.0 million (2015: Nil) and increase in taxable profits.

Profit attributable to owners of the Company

Profit attributable to owners of the Company increased significantly by 156.8% to approximately HK$466.6 million, (2015: HK$181.7 million). The increase was mainly due to (1) a significant appreciation in value of the land and properties held by the Company; (2) an increase in gain from the Group's financial assets through profit or loss; (3) an increase in profits generated by the automation segment; (4) the profits generated by the financial services segment; and (5) an increase in interest income; which was offset by (a) a decrease in the net licensing fee to BIO-key Hong Kong Limited of certain intellectual property rights in relation to the biometric fingerprint privacy protection platform FingerQ and related devices, and (b) an increase in administration expenses at the head office of the Company.

Financial Resources Review

Liquidity, Financial Resources and Debt Structure

Adopting a prudent financial management approach, the Group continued to maintain a healthy and solid liquidity position. As at 31 December 2016, the Group's cash and cash equivalents totaled approximately HK$1,535.6 million (31 December 2015: HK$3,251.6 million (excluding balance transferred to assets classified as held-for-sale)). Working capital represented by net current assets amounted to approximately HK$2,338.7 million (31 December 2015: HK$3,825.2 million). Current ratio was approximately 2.7 (31 December 2015: 25.3).

Bank borrowings included trust receipt loans of approximately HK$98.5 million (31 December 2015: HK$5.3 million) and bank loans of approximately HK$681.1 million (31 December 2015: HK$25.0 million). These bank borrowings were secured by corporate guarantees provided by the Company and certain of its subsidiaries and secured by building and listed securities with carrying amounts of approximately HK$268.6 million and HK$816.5 million respectively. The Group was in a net cash position of approximately HK$756.1 million (31 December 2015: HK$3,221.3 million).

Capital Commitments

As at 31 December 2016, the Group had contracted but not provided for capital commitments of HK$2.1 million, HK$145 million and HK$4.7 million (31 December 2015: Nil) relating to the additions of property, plant and equipment, investment properties and investment cost in a subsidiary respectively.

Currency Exposure and Management

During the year, the Group's receipts were mainly denominated in Hong Kong dollars, Renminbi, and US dollars. The Group's payments were mainly made in Hong Kong dollars, Renminbi and US dollars.

As the Group's production for Manufacturing segments are located in the mainland China, most of its labour costs and manufacturing overheads were denominated in Renminbi. As such, fluctuation of the Renminbi will have an impact on the Group's profitability. The Group will closely monitor the movements of Renminbi and, if necessary, consider entering into foreign exchange forward contracts with reputable financial institutions to reduce potential exposure to currency fluctuations. During the year under review, the Group had not entered into any foreign exchange forward contracts.

Future plans for capital investment and expected source of funding

The Group finances its operating and capital expenditures mainly by internal resources such as operating cash flow and shareholders' equity, and to an extent by bank borrowings. The Group has sufficient resources and unutilised banking facilities to meet its capital expenditure and working capital requirement.

EMPLOYEES

As at 31 December 2016, the Group had approximately 400 (31 December 2015: 500) full-time employees mainly in Hong Kong and Mainland China.

The Group remunerates and provides benefits to its employees based on current industry practice. Discretionary bonuses are awarded to staff members based on the financial performance of the Group and performance of individual employees.

In addition, share options are granted to eligible employees in accordance with the terms of the Company's share option scheme adopted on 24 November 2010.

USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The Company was listed on the Main Board of the Stock Exchange on 15 December 2010 and the proceeds raised by the placing and public offering, net of listing expenses, were approximately HK$642.0 million. During the period from the listing date to 31 December 2016, the net proceeds were utilised as follows:

		HK$' million
1.	Purchase of equipment for the production of capacitive touch screen products and upgrading production capacity	175.8
2.	Research and development costs on company products	138.1
3.	Acquisitions of new technology or cooperation	83.5
4.	Acquisitions for vertical integration	57.8
5.	Construction of additional production plants	57.8
6.	General working capital purpose	64.2
Total net proceed utilised		577.2

The balance of the net proceeds was deposited with the banks in the mainland China and Hong Kong and will be used for the intended uses as set out in the prospectus of the Company dated 2 December 2010.

USE OF PROCEEDS FROM SHARE SUBSCRIPTION IN AUGUST 2015

On 9 May 2015, the Company entered into a subscription agreement with, among others, eight investors pursuant to which the investors agreed to subscribe for 18,611,994,100 new shares ("Share Subscription"). The Share Subscription was completed on 3 August 2015. The net proceeds from the Share Subscription were approximately HK$3,346.2 million and had been utilised as follows:

		HK$' million
1.	Strengthen and expand the existing business of the Group	173.8
2.	Exploration of business opportunities in the energy-saving lighting industry in the PRC	98.9
3.	Completion of the potential acquisition of the Optoelectronic Enterprise, including (i) land acquisition, (ii) construction of new plants or acquisition of existing plants, and (iii) purchase of machinery and equipment	705.1
4.	Acquisition of the equity interest of a domestic financial enterprise for diversification, business extension and capture business opportunities	1,003.9
5.	General working capital of the Company	286.7
Total net proceed utilised		2,268.4

The balance of the net proceeds was deposited with the banks in the mainland China and Hong Kong and will be used for the intended uses as set out in the Circular of the Company dated 29 June 2015.

USE OF PROCEEDS FROM SHARE SUBSCRIPTION IN SEPTEMBER 2016

On 14 September 2016, the Company entered into a Placing Agreement with China Goldjoy Securities ("the Placing Agent"), pursuant to which the Company agreed to place, through the Placing Agent on a best effort basis, up to 600,000,000 new Shares to not less than six Placees at the Placing Price of HK$0.68 per Placing Share. The Placing Shares were allotted and issued pursuant to the General Mandate. The net proceeds from the Placing were approximately HK$401,880,000 (net of transaction costs of HK$6,120,000 which was paid to a subsidiary) and had been utilised as follows:

		HK$' million
1.	Development on finance lease business	–
2.	Acquisition of the equity interests of financial services companies	201.0
Total net proceed utilised		201.0

The balance of the net proceeds was deposited with the banks in the mainland China and Hong Kong and will be used for the intended uses as set out in the Circular of the Company dated 14 September 2016.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 14 September 2016, the Company entered into a Placing Agreement with the Placing Agent, pursuant to which the Company agreed to place, through the Placing Agent on a best effort basis, up to 600,000,000 new Shares to not less than six Placees at the Placing Price of HK$0.68 per Placing Share. The Placing Shares were allotted and issued pursuant to the General Mandate. The proceeds of the Group from the Placing were approximately HK$408,000,000.

The 600,000,000 Placing Shares represent (i) 2.78% of the total number of issued Shares as at the date of the announcement; and (ii) 2.71% of the total number of issued Shares as enlarged by the allotment and issue of the Placing Shares.

BUSINESS OUTLOOK

Going forward, developing well diversified and value-added businesses remains the strategic focus of the Group. The Group will continue its efforts to promote business transformation, take prudent financial management approach and put shareholder interests first to continuously optimizing its business and financial performance.

The Group expects to provide the invested corporations with competitive value-added services and greater energy to support them to commence the acquisition around the upstream and downstream of its industry, and bring higher returns for the shareholders by the coordinated development of inner growth and external expansion.

As a major international financial centre, Hong Kong will continue to play a prominent role in connecting the Mainland China market with the rest of the world, thereby creating a constructive operating environment for the city's financial services sector to flourish.

To capture the enormous growth potential in the financial services markets in the Greater China region, and the vast opportunities arising from the Shanghai-Hong Kong Stock Connect and newly launched Shenzhen-Hong Kong Stock Connect, China Goldjoy, through Goldjoy Holding, will continue to enhance its capability to provide even more comprehensive financial services and expand business coverage in the Greater China market specifically Mainland China, Hong Kong and Macau, trying best to create value for clients, shareholders and business partners. Boasting strong relation with top financial institutions in the world, usage of Fintech, an expanding product mix and optimising financial services platform, Goldjoy Holding will seek to establish a firm operation net in other major cities in Mainland China adding to its presence in Shanghai and Shenzhen.

Additionally, the Group by way of cross-selling and the versatile client platform that offers access to different financial services it built via acquisition and development of various financial institutions, it aims to provide more comprehensive financial services to clients and generate better synergies. With a proven business model, the Group remains cautiously optimistic about its ability to fully tap potentials in the capital market and attain long-term solid business growth.

Regarding the automated production equipment segment, to strengthen the business, the Group's wholly-owned subsidiary Gallant Tech Limited ("Gallant Tech") plans to expand its product lines to include peripheral auxiliary equipment, aside from the existing SMT assembly and testing equipment and semiconductor packaging equipment. It will also further fortify its after-sales and maintenance services to meet customer needs. In order to broaden the income source of Gallant Tech and increase its competitiveness within the industry, Gallant Tech will explore its equipment finance leasing business to offer the clients with more diversified value-added services. Gallant Tech will also seek the investment opportunities in smart manufacturing and smart production system, develop or acquire relevant industry manufacturers to provide clients with more perfect customization, integration services and assist clients to improve production efficiency and funds efficiency to help them gain the first chance in the in the fiercely competitive manufacturing industry. The Group is confident about the long-term development of its automation business.

Moreover, the Group directed efforts into building its new energy industry and LED manufacturing businesses during the first half of 2016. It intends to adopt advanced techniques and bring in high-calibre personnel to give it leading-edge product research and development and manufacturing capabilities, which will enable it to launch products worldwide and improve its competitiveness. Boasting extensive operational experience, the Group is poised to benefit from the rising demand for LED equipment and new energy. The Group has a strong grasp of the fast evolving market trends and is looking forward to the contribution from this segment.

Since the inclusion of securities investment sector in the business in 2015, the Group has broadened its revenue sources. It will continue to seek potential business opportunities in the market with the aim of making better use of existing resources to improve its financial position.

As for the financial services segment, Goldjoy Holdings, through its subsidiary, was granted a Type 6 License by the Securities and Futures Commission (SFC) in January 2017, enabling it to perform on corporate finance related work. This has strengthened the Group's financial service portfolio and capabilities for capturing future business opportunities.

Drawing on its competitive edges, the Group will continue to seek investment opportunities in financial services, the assurance and reassurance industry, high-end manufacturing industry, health, new energy and new technologies as it endeavors to generate optimal returns for its shareholders.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK$0.32 cents per ordinary share for the year ended 31 December 2016 (2015: HK$0.25 cents) to shareholders whose names appear on the register of members of the Company on Wednesday, 17 May 2017.

Subject to the approval of the Company's shareholders at the forthcoming annual general meeting to be held on Friday, 12 May 2017, the said final dividend will be paid in cash on or around Friday, 2 June 2017. Details of dividend for the year ended 31 December 2016 are set out in Note 8.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the annual general meeting, the register of members of the Company will be closed from Tuesday, 9 May 2017 to Friday, 12 May 2017 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting of the Company, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Monday, 8 May 2017.

For determining entitlement to the proposed final dividend, the register of members of the Company will be closed from Thursday, 18 May 2017 to Monday, 22 May 2017, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividend, all share transfers, accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Wednesday, 17 May 2017.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

On 14 September 2016, an aggregate of 600,000,000 Placing Shares have been successfully placed by the Placing Agent, to not less than six placees at the Placing Price of HK$0.68 per Placing Share pursuant to the terms and conditions of the Placing Agreement, the net proceeds of the Group are approximately HK$408,000,000. Save for such Placing, neither the Company, nor any of its subsidiaries, purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2016.

CORPORATE GOVERNANCE

The Company is maintaining a high standard of corporate governance with a view to enhancing the management of the Company as well as preserving the interests of the shareholders as a whole. The Board is of the view that the Company has complied with the code provisions set out in the Corporate Governance Code (the "CG Code") in Appendix 14 to the Listing Rules, except that there is no separation of the roles of chairman and Chief Executive Officer, as stipulated in the code provision A2.1 of the CG Code. Mr. Yao Jianhui ("Mr. Yao") currently assumes the roles of both the Chairman and the Chief Executive Officer of the Company. Mr. Yao has extensive experience in a wide range of industries, including food, construction materials, real estate, commerce, agricultural and foresty, logistics, technology and finance. The Board believes that by holding both roles, Mr. Yao will be able to provide the Group with strong and consistent leadership and allows for more effective and efficient business planning and decisions as well as execution of long-term business strategies of the Group. As such, the structure is beneficial to the business prospects of the Group. Furthermore, the Company's present management structure comprises sufficient number of independent non-executive directors, and thus the Board believes that a balance of power and authority have been and will continue to be maintained.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct of the Group regarding securities transactions of the directors of the Company. All directors of the Company have confirmed that throughout the year ended 31 December 2016, they have complied with the provisions of the Model Code.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference set out in the CG Code. The principal duties of the audit committee includes the review and supervision of the Group's financial reporting matters, risk management and internal control procedures. The audit committee comprises one non-executive director of the Company, namely Mr. Huang Wei and two independent non-executive directors of the Company, namely Mr. Wong Chun Bong and Professor Lee Kwok On, Matthew. The audit committee has reviewed the audited financial statements and this annual results announcement of the Group for the year ended 31 December 2016.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2016 have been agreed with the Group's auditor, PricewaterhouseCoopers ("PwC HK"), to the amounts set out in the Group's audited consolidated financial statements. The work performed by PwC HK in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC HK on the preliminary announcement.

ANNUAL GENERAL MEETING

The annual general meeting of the Company will be held on Friday, 12 May 2017 at 11 a.m. at Taishan Room, Level 5, Island Shangri-La Hong Kong, Pacific Place, Supreme Court Road, Central, Hong Kong. Notice of the annual general meeting will be published and issued to shareholders in due course.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

The annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hk1282.com). The 2016 Annual Report will be dispatched to the shareholders of the Company and available on the same websites in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express our appreciation to the management team and staff of the Group for their contribution during the period and also to extend my sincere gratitude to all our shareholders and business partners for their continuous support.

By order of the Board
China Goldjoy Group Limited
Yao Jianhui
Chairman and Chief Executive Officer

Hong Kong, 10 March 2017

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Yao Jianhui, Mr. Shao Zuosheng and Mr. Li Minbin; one non-executive director, namely Mr. Huang Wei; and three independent non-executive directors, namely Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew, and Mr. Lee Kwan Hung.