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)

2017 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 2017 together with the comparative figures for 2016.

FINANCIAL HIGHLIGHTS

	FY2017	FY2016	Change
Revenue *(HK$' million)*	**2,825.3**	995.6	+184%
Gross profit *(HK$' million)*	**871.3**	473.4	+84%
EBITDA *(HK$' million) (Note 1)*	**1,099.0**	840.2	+31%
EBIT *(HK$' million) (Note 2)*	**1,059.2**	829.7	+28%
Net profit attributable to equity holders of the Company *(HK$' million)*	**869.2**	466.6	+86%
EPS *(HK cents)*			
– Basic	**3.90**	2.15	+81%
– Diluted	**3.90**	2.15	+81%
Dividend per share *(HK cent)*			
– Final	**0.51**	0.32	+59%
– Interim	**–**	–	–
	As at 31.12.2017	As at 31.12.2016	
Net asset value *(HK$' million)*	**7,769.4**	5,149.4	+51%
Net asset value per share *(HK$)*	**0.31**	0.23	+35%
Cash and cash equivalents *(HK$' million)*	**2,231.4**	1,535.6	+45%
Borrowings *(HK$' million)*	**625.9**	779.6	-20%
Gearing ratio (%) *(Note 3)*	**8.06%**	15.14%	-47%

Notes:

1. EBITDA is calculated at profit before income tax subtracted by finance income – net (excluding adjustment of put option liability in relation to acquisition of subsidiaries) and adding back depreciation of property, plant and equipment, amortisation of intangible assets and amortisation of land use right.
2. EBIT is calculated at profit before income tax subtracted by finance income – net (excluding adjustment of put option liability in relation to acquisition of a subsidiary).
3. Gearing ratio is calculated at borrowings divided by net asset value.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Notes	**2017** **HK$'000**	2016 HK$'000
Revenue	3	**2,825,287**	995,560
Cost of sales	5	**(1,954,011)**	(522,122)
Gross profit		**871,276**	473,438
Other gains – net	4	**4,563**	318
Other income	4	**115,284**	79,114
Gain on bargain purchase from acquisition of a subsidiary		**208,012**	–
Fair value gain on investment properties		**123,409**	462,734
Distribution costs	5	**(28,823)**	(22,086)
Administrative expenses	5	**(240,319)**	(174,918)
Operating profit		**1,053,402**	818,600
Finance income – net	6	**10,673**	19,898
Share of (loss)/profit of associates		**(3,460)**	13,532
Provision for impairment of investment in an associate		**(5,212)**	(2,400)
Profit before income tax		**1,055,403**	849,630
Income tax expense	7	**(161,512)**	(195,221)
Profit for the year		**893,891**	654,409
Profit attributable to:			
Owners of the Company		**869,170**	466,593
Non-controlling interests		**24,721**	187,816
		893,891	654,409
Other comprehensive income/(loss):			
Items that may be reclassified to profit or loss:			
Fair value gain/(loss) on available-for-sale financial assets, net of tax		**76,874**	(80,129)
Currency translation differences		**140,661**	18,566
Other comprehensive income/(loss) for the year		**217,535**	(61,563)
Total comprehensive income for the year		**1,111,426**	592,846
Total comprehensive income for the year attributable to:			
Owners of the Company		**1,054,955**	405,030
Non-controlling interests		**56,471**	187,816
		1,111,426	592,846
Earnings per share for profit attributable to equity holders of the Company	8		
– basic		**HK3.90 cents**	HK2.15 cents
– diluted		**HK3.90 cents**	HK2.15 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of 31 December 2017

	Notes	2017 HK$'000	2016 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**433,258**	387,223
Land use right		**4,105**	–
Investment properties		**2,447,232**	1,590,524
Intangible assets		**194,670**	202,659
Investments in associates		**–**	82,207
Available-for-sale financial assets	10	**1,534,850**	986,777
Deferred income tax asset		**9,194**	–
Trade receivables	12	**8,341**	3,377
Finance lease receivables		**104,382**	–
		4,736,032	3,252,767
Current assets			
Inventories		**55,512**	36,069
Properties under development		**524,212**	–
Completed properties held for sale		**698,267**	–
Loans and advances	11	**892,904**	987,605
Trade receivables	12	**356,123**	234,420
Finance lease receivables		**19,789**	–
Prepayments, deposits and other receivables		**276,383**	34,033
Current income tax recoverables		**10,270**	1,651
Held-to-maturity investment		**60,000**	25,000
Financial assets at fair value through profit or loss	14	**952,960**	748,901
Client trust bank balances		**101,031**	50,485
Restricted cash		**46,154**	–
Cash and cash equivalents		**2,231,369**	1,535,633
		6,224,974	3,653,797
Assets classified as held-for-sale	13	**–**	99,176
		6,224,974	3,752,973
Total assets		**10,961,006**	7,005,740

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

As of 31 December 2017

	Notes	2017 HK$'000	2016 HK$'000
EQUITY			
Owner's equity attributable to the Company's equity holders			
Share capital		**2,467,933**	2,214,860
Share premium		**3,700,285**	2,402,151
Other reserves and retained earnings		**1,077,697**	85,586
		7,245,915	4,702,597
Non-controlling interests		**523,466**	446,765
Total equity		**7,769,381**	5,149,362
LIABILITIES			
Non-current liabilities			
Other payables		**77,364**	257,159
Borrowings		**207,962**	–
Deferred income tax liabilities		**283,647**	184,915
		568,973	442,074
Current liabilities			
Trade and bills payables	15	**737,629**	176,563
Accruals and other payables		**1,382,774**	413,516
Borrowings		**417,903**	779,572
Current income tax liabilities		**84,346**	27,323
		2,622,652	1,396,974
Liabilities related to assets classified as held-for-sale	13	**–**	17,330
		2,622,652	1,414,304
Total liabilities		**3,191,625**	1,856,378
Total equity and liabilities		**10,961,006**	7,005,740

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"), property investment and development (the "Property Investment and Development") 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 reviewed by the audit committee of the Company and approved for issue by the Board of Directors on 9 March 2018.

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, assets classified as held-for-sale and liabilities related to assets classified as held-for-sale, 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 2017:

HKFRSs (Amendment)	Annual improvements 2014–2016 cycle
HKAS 7 (Amendment)	Disclosure initiative
HKAS 12 (Amendment)	Recognition of deferred tax assets for unrealised losses

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

(b) New standards and amendments to standards have been issued but not effective for the financial year beginning on or after 1 January 2017 and have not been early adopted:

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2017 and have not been early adopted by the Group in preparing these consolidated financial statements. None of these new standards and amendments to standards and interpretations is expected to have a significant effect on the consolidated financial statements of the Group, except those set out below:

HKFRS 9 "Financial instruments" replaces the whole of HKAS 39. HKFRS 9 has three financial asset classification categories for investments in debt instruments: amortised cost, fair value through other comprehensive income ("FVOCI") and fair value through profit or loss. Classification is driven by the entity's business model for managing the debt instruments and their contractual cash flow characteristics.

Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in FVOCI, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. For financial liabilities there are two classification categories: amortised cost and fair value through profit or loss. Where non-derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability's own credit risk are recognised in FVOCI, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognised in profit or loss. There is no subsequent recycling of the amounts in FVOCI to profit or loss. For financial liabilities held for trading (including derivative financial liabilities), all changes in fair value are presented in profit or loss.

HKFRS 9 also introduces a new model for the recognition of impairment losses the expected credit losses ("ECL") model, which constitutes a change from the incurred loss model in HKAS 39. HKFRS 9 contains a "three stage" approach, which is based on the change in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. The new rules mean that on initial recognition of a non-credit impaired financial asset carried at amortised cost a day-1 loss equal to the 12-month ECL is recognised in profit or loss. In the case of accounts receivables this day-1 loss will be equal to their lifetime ECL.

Where there is a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL.

The new impairment model requires the recognition of impairment provisions based on ECL rather than only incurred credit losses as is the case under HKAS 39. It applies to financial assets classified at amortised cost, debt instruments at FVOCI, contract assets under HKFRS 15 Revenue from Contracts with Customers, lease receivables, loan commitments and certain financial guarantee contracts. The historical credit losses are immaterial.

Based on the historical experience of the Group, the default rates of the outstanding balances with customers and related parties are low. Hence, the directors of the Company do not expect that the application of HKFRS 9 would result in a significant impact on the Group's impairment provisions.

The Group has assessed that certain financial assets classified as available-for-sale investments may be reclassified into fair value through profit or loss upon the adoption of new standards. Other than this, the Group's financial assets currently measured at amortised cost or fair value through profit or loss will continue with their respective classification and measurements upon the adoption of HKFRS 9.

The new standard also introduces expanded disclosure requirements and changes in presentation. These are expected to change the nature and extent of the Group's disclosures about its financial instruments particularly in the year of the adoption of the new standard.

In the opinion of the directors of the Company, the application of HKFRS 9 would not have a material impact on the Group's financial position and results of operations. HKFRS 9 must be applied for financial years commencing on or after 1 January 2018.

HKFRS 15 "Revenue from contracts with customers" This new standard replaces the previous revenue standards: HKAS 18 "Revenue" and HKAS 11 "Construction Contracts", and the related Interpretations on revenue recognition. HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach:(1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) Recognise revenue when performance obligation is satisfied. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an "earnings processes" to an "asset liability" approach based on transfer of control. HKFRS 15 provides specific guidance on capitalisation of contract cost, license arrangements and principal versus agent considerations. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. HKFRS 15 is mandatory for financial years commencing on or after 1 January 2018. The standard permits either a full retrospective or a modified retrospective approach for the adoption.

The Group has undertaken a preliminary assessment of the impact of HKFRS 15 and does not expect its results of operations and financial position will be significantly impacted.

HKFRS 16 "Leases" HKFRS 16 will result in almost all leases being recognised on the consolidated statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

The standard will affect primarily the accounting for the Group's operating leases. As at the reporting date, the Group has non-cancellable operating lease commitments of HK$19,133,000. The new standard will therefore result in an increase in assets and financial liabilities in the consolidated statement of financial position. As for the financial performance impact in the consolidated statement of comprehensive income, the operating lease expenses will decrease, while depreciation and amortisation and the interest expense will increase.

Some of the commitments may be covered by the exception for short-term and low value leases and some commitments may relate to arrangements that will not qualify as leases under HKFRS 16.

The new standard is mandatory for financial years commencing on or after 1 January 2019. At this stage, the Group does not intend to adopt the standard before its effective date. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

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 Property Investment and Development as one of the principal business activities of the Group during the year. The adoption of this new segment resulted in a change in the presentation of information. The investment properties and fair value gain which were previously presented under unallocated segment asset are now presented as segment asset and under segment operating results under the Property Investment and Development segment. The Directors will seek investment and development opportunities in the property market in Hong Kong and in the People's Republic of China (the "PRC") so as to better utilise the existing resources of the Group 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, Property Investment and Development and Securities Investment:

– Automation segment represents the trading of automated production related equipment and provision of related services business;

– Financial Services segment represents regulated business activities in respect to financial services under the SFO in Hong Kong;

– Manufacturing segment represents the manufacturing of a range of high-technology and new energy products;

– Property Investment and Development segment represents the properties investment activities and property development project in Hong Kong and the PRC;

– Securities Investment segment represents the investment activities through direct investments in listed and unlisted securities.

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

Certain other gains – net, other income and administrative expenses are not allocated to segments, as they are inseparable and not attributable to particular reportable segments. Finance income – net and share of (loss)/profit of associates and provision for impairment of investment in an associate are not allocated to segments, as these type of activities are managed by the central finance and accounting function, which manages the working capital of the Group. The CEO assesses the performance of the operating segments based on a measure of operating profit, which is in a manner consistent with that of the consolidated financial statements.

The Group's revenue by segment is as follows:

	2017			2016		
	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	**612,999**	**–**	**612,999**	553,680	–	553,680
Financial Services	**148,098**	**(2,343)**	**145,755**	91,073	(6,120)	84,953
Manufacturing	**122,946**	**–**	**122,946**	58,080	–	58,080
Property Investment and Development	**1,421,591**	**(8,857)**	**1,412,734**	–	–	–
Securities Investment	**530,853**	**–**	**530,853**	298,847	–	298,847
	2,836,487	**(11,200)**	**2,825,287**	1,001,680	(6,120)	995,560

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

	2017	2016
	HK$'000	*HK$'000*
Operating profit/(loss)		
Automation	**34,231**	32,608
Financial Services	**64,413**	50,623
Manufacturing	**(60,972)**	(35,103)
Property Investment and Development	**445,219**	445,995
Securities Investment	**556,243**	311,548
	1,039,134	805,671
Unallocated:		
Other gains – net	**4,563**	318
Other income	**41,630**	39,805
Administrative expenses	**(31,925)**	(27,194)
Finance income – net	**10,673**	19,898
Share of (loss)/profit of associates	**(3,460)**	13,532
Provision for impairment of investment in an associate	**(5,212)**	(2,400)
Profit before income tax	**1,055,403**	849,630

	2017	2016
	HK$'000	*HK$'000*
Other segment items – depreciation and amortisation		
Automation	**(123)**	(3,157)
Financial Services	**(7,868)**	(4,366)
Manufacturing	**(24,508)**	(609)
Property Investment and Development	**(42)**	–
Securities Investment	**(326)**	(24)
Unallocated	**(6,946)**	(2,277)
	(39,813)	(10,433)

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

The assets are reconciled to total assets as follows:

	2017	2016
	HK$'000	*HK$'000*
Segment assets		
Automation	**488,077**	366,135
Financial Services	**1,331,507**	1,356,026
Manufacturing	**247,195**	134,876
Property Investment and Development	**4,077,629**	1,590,730
Securities Investment	**3,004,435**	1,753,390
Segment assets for reportable segments	**9,148,843**	5,201,157
Unallocated:		
Property, plant and equipment	**265,598**	371,495
Available-for-sale financial assets	**136,616**	170,280
Investments in associates	**–**	82,207
Prepayments, deposits and other receivables	**2,100**	4,412
Current income tax recoverable	**–**	1,651
Held-to-maturity investment	**60,000**	25,000
Financial assets at fair value through profit or loss	**19,850**	23,280
Cash and cash equivalents	**1,327,999**	1,027,082
Assets classified as held-for-sale *(Note 13)*	**–**	99,176
Total assets	**10,961,006**	7,005,740

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, land use right, investment properties, 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, restricted cash, inventories, finance lease receivables, properties under development, completed properties held for sale, and financial assets at fair value through profit or loss attributable to various reportable segments.

Unallocated segment assets comprise property, plant and equipment, 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:

	2017	2016
	HK$'000	*HK$'000*
Segment liabilities		
Automation	**198,704**	212,765
Financial Services	**511,170**	454,203
Manufacturing	**58,049**	11,043
Property Investment and Development	**1,490,028**	289,010
Securities Investment	**82,318**	606,197
Segment liabilities for reportable segments	**2,340,269**	1,573,218
Unallocated:		
Accruals and other payables	**353,995**	16,161
Borrowings	**315,967**	159,200
Current income tax liabilities	**84,346**	27,323
Deferred income tax liabilities	**97,048**	63,146
Liabilities relating to assets classified as held-for-sale *(Note 13)*	**–**	17,330
Total liabilities	**3,191,625**	1,856,378

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, deferred income tax liabilities and borrowings attributed to various reportable segments.

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

Revenue from external customers for Automation and Manufacturing segments are derived from the sales of goods net of returns. 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. Revenue from Property Investment and Development are derived from the sales of residential properties and car parking space, and rental income from offices, workshops and dormitory.

The Group's revenue derived from external customers located in Hong Kong, the PRC and the United States of America ("USA"), is HK$180,294,000 (2016: HK$69,783,000), HK$2,145,897,000 (2016: HK$592,128,000) and HK$439,000 (2016: HK$5,962,000) respectively. The remaining balances of the Group's revenue represented securities trading in Financial Services segment and Securities Investment segment.

The total amount of non-current assets other than financial instruments and deferred income tax asset located in the PRC and Hong Kong is HK$2,573,651,000 (2016: HK$1,609,600,000) and HK$505,614,000 (2016: HK$650,993,000) respectively, and the total amount of these non-current assets located in other countries is Nil (2016: HK$5,397,000).

4 OTHER GAINS – NET AND OTHER INCOME

	2017	2016
	HK$'000	*HK$'000*
Other gains – net		
Gain on disposal of available-for-sale financial assets	**809**	12,595
Gain on deemed disposal of partial interest in an associate	**–**	4,055
Provision for impairment of goodwill	**–**	(1,500)
Provision for impairment of available-for-sale financial assets	**(4,434)**	(15,000)
Gain on disposal of a subsidiary	**1,300**	–
Gain on disposal of an associate (Note)	**24,974**	–
Impairment loss on other receivables	**(27,160)**	–
Gain on disposal of property, plant and equipment and intangible assets	**9,074**	168
	4,563	318
Other income		
Dividend income	**59,950**	31,498
Consultancy fee income	**32,239**	35,213
Rental income	**–**	2,628
Sub-licensing income	**6,530**	1,655
Write back of trade and other payables	**2,342**	2,456
Others	**14,223**	5,664
	115,284	79,114

Note: On 29 June 2017, the Group disposed of its interest in 湛江集付通金融服務有限公司 (for identification only, Zhanjiang Jifuton Financial Services Joint Stock Company Limited, "Zhanjiang JFT") at a consideration of HK$89,170,000. The carrying amount of the interest in Zhanjiang JFT on the date of disposal was HK$64,196,000. The Group recognised a gain on disposal of HK$24,974,000 during the year.

5 EXPENSES BY NATURE

	2017	2016
	HK$'000	*HK$'000*
Employee benefit expenses	**133,377**	85,724
Director's and chief executive's emoluments	**6,972**	5,400
Cost of inventories	**635,971**	501,719
Cost of properties sold	**1,282,343**	–
Provision for impairment of intangible assets other than goodwill	**–**	3,542
Provision for impairment of trade receivables	**516**	–
Auditor's remuneration		
– Audit services	**3,548**	3,282
– Non-audit services	**2,988**	3,352
Depreciation of property, plant and equipment	**32,592**	3,132
Amortisation of intangible assets	**6,989**	7,301
Amortisation of land use right	**232**	–
Operating lease rentals – office premises, factory and warehouse	**13,159**	9,667
Consumables and factory supplies	**1,680**	368
Electricity, water and utilities expenses	**8,609**	8,372
Freight and transportation	**3,337**	3,302
Bank charges	**6,620**	5,423
Other tax levies	**7,609**	3,592
Research and development expenses	**5,468**	–
Commission expenses	**18,638**	14,991
Advertising and promotion expenses	**7,726**	3,601
Net foreign exchange (gains)/losses	**(4,856)**	9,021
Legal and professional fees	**7,329**	10,338
Others	**42,306**	36,999
Total cost of sales, distribution costs and administrative expenses	**2,223,153**	719,126

6 FINANCE INCOME – NET

	2017 HK$'000	2016 HK$'000
Finance income:		
– Interest income on bank deposits	**6,678**	12,193
– Interest income on financial assets at fair value through profit or loss	**–**	1,640
– Interest income on held-to-maturity investment	**3,945**	–
– Interest income on loan to an independent third party	**–**	6,887
– Interest income from finance lease	**5,486**	–
– Adjustment on put option liability in relation to acquisition of subsidiaries	**14,426**	–
	30,535	20,720
Finance costs:		
– Bank loans	**(18,207)**	(461)
– Trust receipt loans	**(1,655)**	(361)
	(19,862)	(822)
Finance income – net	**10,673**	19,898

7 INCOME TAX EXPENSE

	2017 HK$'000	2016 HK$'000
Current income tax		
– Hong Kong profits tax	**74,774**	14,970
– PRC income tax	**95,489**	8,508
– PRC land appreciation tax	**16,927**	–
	187,190	23,478
(Over)/under provision in prior years	**(3,553)**	10
	183,637	23,488
Deferred income tax	**(22,125)**	171,733
	161,512	195,221

Provision for income tax

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the year (2016: 16.5%).

The statutory income tax rate applicable to entities operating in the PRC is 25% (2016: 25%). A 5% withholding income tax is also imposed on dividends relating to profits remitted from the subsidiaries in the PRC.

PRC land appreciation tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including lease charges of land use rights and all property development expenditures, which is included in the consolidated statement of comprehensive income as income tax. The Group has estimated the tax provision for LAT according to the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects and the tax authorities might disagree with the basis on which the provision for LAT is calculated.

8 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.

	2017	2016
Profit attributable to equity holders of the Company *(HK$'000)*	**869,170**	466,593
Weighted average number of ordinary shares in issue *(thousands)*	**22,310,220**	21,668,270
Basic earnings per share *(expressed in HK cents per share)*	**3.90**	2.15

(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.

	2017	2016
Profit attributable to equity holders of the Company *(HK$'000)*	**869,170**	466,593
Weighted average number of ordinary shares in issue (thousands)	**22,310,220**	21,668,270
Adjustments for:		
– Share options *(thousands)*	**419**	974
Weighted average number of ordinary shares for diluted earnings per share *(thousands)*	**22,310,639**	21,669,244
Diluted earnings per share *(expressed in HK cents per share)*	**3.90**	2.15

9 DIVIDENDS

	2017	2016
	HK$'000	*HK$'000*
2017 proposed final dividend – HK0.51 cent per share	**125,865**	–
2016 final dividend paid – HK0.32 cent per share	**–**	70,875
	125,865	70,875

A final dividend in respect of the financial year ended 31 December 2017 of HK0.51 cent per share (2016: HK0.32 cent per share), amounting to a total dividend of HK$125,865,000 (2016: HK$70,875,000), is to be proposed at the forthcoming Annual General Meeting. The amount of 2017 proposed final dividend is based on 24,679,330,000 shares in issue as at 31 December 2017 (2016: 22,148,598,000 shares in issue as at 31 December 2016). These consolidated financial statements do not reflect this dividend payable.

10 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2017	2016
	HK$'000	*HK$'000*
Listed shares:		
– Equity securities – Norway	**84,364**	112,986
– Equity securities – USA	**1,221**	1,828
– Equity securities – Hong Kong	**1,242,800**	816,497
– Equity securities – the PRC	**155,433**	–
	1,483,818	931,311
Unlisted shares	**51,032**	55,466
	1,534,850	986,777

As at 31 December 2017, the fair values of listed shares are determined on the basis of their quoted market prices at the end of reporting period. Unlisted shares with aggregated carrying amount of HK$51,032,000 (2016: HK$55,466,000) are measured at fair value determined by using market approach based on unobservable inputs and included in Level 3 financial instruments.

At the end of reporting period, the Group's available-for-sale financial assets were individually reviewed for impairment by management. Impairment loss of HK$4,434,000 has been recognised in the consolidated statement of comprehensive income for the year ended 31 December 2017 (2016: HK$15,000,000).

No listed securities have been pledged to a bank to secure bank borrowings (2016: HK$816,497,000).

11 LOANS AND ADVANCES

	2017	2016
	HK$'000	*HK$'000*
Loans and advances *(Note (a))*	**475,657**	575,711
Margin loans receivables *(Note (b))*	**417,247**	411,894
	892,904	987,605

Notes:

(a) The loans and advances are secured and/or backed by guarantee. Credit limits are set for borrowers based on the quality of collateral held and the financial background of the borrower. Collateral values and overdue balances are reviewed and monitored regularly.

The carrying amounts of loans and advances are denominated in Hong Kong dollars.

(b) The credit facility limits granted to margin clients are determined by the discounted market value of the collateral securities accepted by the Group.

The loans to margin clients are secured by the underlying pledged securities and are interest bearing. The Group maintains a list of approved stocks for margin lending at a specified loan to collateral ratio. Any excess in the lending ratio will trigger a margin call and the clients have to make good the shortfall.

As at 31 December 2017, margin loan receivables were secured by securities pledged by the clients to the Group as collateral with undiscounted market value of HK$2,121,683,000 (2016: HK$2,362,564,000).

The carrying amount of margin loan receivables reflects a reasonable approximation of its fair value.

12 TRADE RECEIVABLES

	2017	2016
	HK$'000	*HK$'000*
Trade receivables	**367,481**	240,298
Less: Provision for impairment of receivables	**(3,017)**	(2,501)
Trade receivables – net	**364,464**	237,797
Less: non-current portion	**(8,341)**	(3,377)
Current portion	**356,123**	234,420

The carrying amounts of trade receivables approximate their fair values.

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. For Property Investment and Development, the balances are due upon issuance of invoices. Therefore, the entire balance falls within the aging group of 0-30 days. The ageing analysis of trade receivables based on invoice date is as follows:

	2017	2016
	HK$'000	*HK$'000*
0 to 30 days	**280,702**	123,266
31 to 60 days	**32,983**	37,477
61 to 90 days	**10,390**	14,703
91 to 120 days	**8,699**	6,885
Over 120 days	**34,707**	57,967
	367,481	240,298

As at 31 December 2017, trade receivables of HK$300,188,000 (2016: HK$134,841,000) are neither past due nor impaired. These relate to customers for whom there is no recent history of default.

13 ASSETS CLASSIFIED AS HELD-FOR-SALE AND LIABILITIES RELATING TO ASSETS 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, a memorandum of understanding (the "MOU") was entered into between Success Charm Holdings Limited ("Success Charm") and independent third party (the "Proposed Purchaser") on 26 February 2016 to sell Charming Lion Group.

On 14 September 2017, an agreement was entered into between Success Charm and the Proposed Purchaser to terminate the MOU and the Group's management considered the criteria to classify under held-for-sale in HKFRS5 "Non-Current Assets Held for Sale and Discontinued Operation" is no longer met. Accordingly, the specified assets as held-for-sale and liabilities relating to assets classified as held-for-sale and liabilities relating to assets classified as held-for-sale, were reclassified to assets and liabilities of the Group.

(a) Assets of Charming Lion Group relating to assets classified as held-for-sale as at 31 December 2016

	2016
	HK$'000
Property, plant and equipment	65,569
Land use right	4,575
Deferred income tax assets	1,089
Prepayments, deposits and other receivables	716
Inventories	27,227
	99,176

(b) Liabilities of Charming Lion Group relating to assets classified as held-for-sale as at 31 December 2016

	2016
	HK$'000
Trade payables	6,943
Accruals and other payables	5,360
Deferred income tax liabilities	181
Current income tax liabilities	4,846
	17,330

14 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2017	2016
	HK$'000	*HK$'000*
Listed securities:		
– Equity securities – the PRC	**58,635**	39,619
– Equity securities – Hong Kong	**874,475**	686,002
	933,110	725,621
Other securities	**19,850**	23,280
	952,960	748,901

The Group's financial assets at fair value through profit or loss are denominated in Hong Kong dollar. The fair values of listed shares are based on their current bid prices in an active market.

15 TRADE AND BILLS PAYABLES

	2017	2016
	HK$'000	*HK$'000*
Trade payables	**724,612**	174,669
Bills payables	**13,017**	1,894
	737,629	176,563

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

	2017	2016
	HK$'000	*HK$'000*
0 to 30 days	**699,289**	98,059
31 to 60 days	**7,290**	20,953
61 to 90 days	**8,946**	8,248
91 to 120 days	**6,641**	8,487
Over 120 days	**15,463**	40,816
	737,629	176,563

16 BUSINESS COMBINATION

(a) Acquisition of 100% equity interest in Laihua Tai Sheng Limited ("Tai Sheng")

On 27 December 2017, the Group completed the acquisition of 100% equity interest in Tai Sheng from Lai Hua Properties and Investment Limited ("Vendor") pursuant to the sale and purchase agreement dated 4 August 2017, at consideration of approximately RMB1,720,000,000 (approximate to HK$2,047,000,000).

Tai Sheng held a property development project (the "Project") named Century Plaza located in Zhangjiang New District, Ganzhou City, Jiangxi Province, the PRC. This Project comprises commercial buildings, a hotel, a shopping arcade, car park and residential properties.

A gain on bargain purchase of approximately HK$208,012,000 was recorded in consolidated statement of comprehensive income for the year ended 31 December 2017, which mainly arose from the difference between the fair value of the consideration paid and payable, and the fair value of the net assets acquired, which are the fair value of identifiable assets acquired and liabilities assumed to their fair values with reference to the property valuation report carried out by D&P China (HK) Limited, a division of Duff & Phelps, an independent valuer.

The following table summarises the consideration paid for the above business combination, the fair value of assets acquired, liabilities assumed at the acquisition date.

	HK$'000
Consideration in cash	456,960
Assumption of the vendor's payable	1,589,840
Total consideration	2,046,800
Recognised amounts of identifiable assets acquired and liabilities assumed:	
Assets:	
Cash and cash equivalents	46,154
Restricted cash	11,663
Prepaid income tax	118,926
Deposits, prepayments and other receivables	1,670,316
Properties under development	524,212
Completed properties held for sale	1,967,920
Investment properties	520,026
Property, plant and equipment	947
	4,860,164
Liabilities:	
Accruals and other payables	(324,852)
Trade payables	(385,778)
Advances received from the pre-sale of properties under development	(1,617,719)
Deferred income tax liabilities	(100,764)
Bank borrowing	(176,239)
	(2,605,352)
Total identifiable net assets	2,254,812
Gain on bargain purchase from acquisition	(208,012)
Net cash outflows arising from acquisition of a subsidiary	
Cash paid	(456,960)
Cash and cash equivalents acquired	46,154
	(410,806)

The revenue in the consolidated statement of comprehensive income for the year ended 31 December 2017 contributed by the Tai Sheng was approximately HK$1,390,012,000.

Had Tai Sheng been consolidated from 1 January 2017, the consolidated statement of other comprehensive income for the year ended 31 December 2017 would show pro-forma revenue of approximately HK$1,394,218,000 and profit before income tax approximately HK$65,398,000.

(b) Acquisition of 70% equity interest in certain wholly-owned subsidiaries of China Yinsheng Capital Group Limited ("China Yinsheng") in 2016

On 30 March 2016, the Group entered into an agreement with China Yinsheng Capital Group Limited ("China Yinsheng"), through China Foresea Finance Group Limited ("China Foresea"), a wholly-owned subsidiary of the Group , pursuant to which the Group conditionally agreed to purchase, and China Yinsheng conditionally agreed to sell 70% interests in certain wholly-owned subsidiaries, China Goldjoy Asset Management, China Goldjoy Bullion, China Goldjoy Credit, China Goldjoy Investment, China Goldjoy Securities and China Goldjoy Wealth Management (collectively named as "Goldjoy Holding Group"), at cash consideration of HK$255,779,000. The Group completed the acquisition of Goldjoy Holding Group on 1 August 2016. Pursuant to the agreement, China Yinsheng is entitled to a put option to require the Group to purchase the remaining shares of Goldjoy Holding Group in full or in part before January 2019 at an agreed exercise price primarily based on the estimated future undistributed profit of Goldjoy Holding Group. Such right can be exercised by China Yinsheng once only after two years from the date of completion of acquisition on 1 August 2016. The fair value of the option amounted to HK$257,159,000 as at completion date was determined using discounted cash flow method and the key assumptions are the discount rate and forecasted revenue of Goldjoy Holdings Group. Subsequently, as at 31 December 2017, an adjustment on this put liability of HK$14,426,000 was determined based on the current year's estimate. The adjustment was recorded under finance income - net during the year.

The goodwill of HK$104,236,000 arising from the acquisition is attributable to acquired customer base and economies of scale expected from combining the operations of the Group and Goldjoy Holding Group. None of the goodwill recognised is expected to be deductible for income tax purposes.

The following table summarises the consideration paid for Goldjoy Holding Group, the fair value of assets acquired, liabilities assumed and the non-controlling interest at the acquisition date.

	HK$'000
Consideration	255,779
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property, plant and equipment	1,547
Intangible assets	55,818
Loans and advances	142,471
Trade receivables	6,797
Prepayments, deposits and other receivables	7,327
Financial assets at fair value through profit or loss	4,111
Client trust bank balances	162,223
Cash and cash equivalents	7,452
Trade and bill payables	(119,473)
Accruals and other payables	(647)
Bank borrowing	(35,000)
Current income tax liabilities	(6,926)
Deferred income tax liabilities	(9,210)
Total identifiable net assets	216,490
Non-controlling interest	(64,947)
Goodwill	104,236
	255,779
Net cash outflows arising from acquisition of subsidiaries	
Cash paid	(255,779)
Cash and cash equivalents acquired	7,452
	(248,327)

Note: On 3 May 2016, the Group completed the acquisition of 70% equity interests in China Goldjoy Credit. Upon completion of the acquisition, China Goldjoy Credit became a subsidiary of the Group. The Group completed acquisition of the remaining entities within Goldjoy Holding Group on 4 July 2016 and 1 August 2016.

The gross contractual amount for these loans and advances due is HK$142,471,000 which approximates its fair value.

Acquisition-related costs of Goldjoy Holding Group of HK$990,000 have been charged to administrative expenses in the consolidated statement of profit or loss for the year ended 31 December 2016.

The revenue included in the consolidated statement of comprehensive income since acquisition contributed by Goldjoy Holding Group was HK$69,783,000. Goldjoy Holding Group also contributed profit of HK$39,485,000 over the same period.

Had Goldjoy Holding Group been consolidated from 1 January 2016, the consolidated statement of profit or loss would show pro-forma revenue of HK$1,053,319,000 and profit of HK$667,060,000.

On 12 August 2016, Goldjoy Holding Limited issued additional shares to Great Sphere, a wholly-owned subsidiary of the Group, and China Yinsheng for cash consideration of HK$300,000,000 and HK$33,333,000, respectively. Upon the completion of this round of financing, Great Sphere's shareholding in Goldjoy Holding Group increased to 80%, whilst that held by China Yinsheng decreased to 20%. The difference between the deemed consideration and the non-controlling interests acquired amounted to HK$11,342,000, was recorded in other reserves in the consolidated statement of changes in equity.

On 29 November 2016, Goldjoy Holding Limited issued additional shares to Great Sphere and China Yinsheng for cash consideration of HK$200,000,000 and HK$50,000,000, respectively. The additional issuance of shares has no effect on the percentage of non-controlling interest.

MANAGEMENT DISCUSSION AND ANALYSIS

Overview

For the year ended 31 December 2017, the Group achieved a full-blown business growth with revenue up 183.8% to approximately HK$2,825.3 million. Profit attributable to owners of the Company increased significantly by 86.3% to HK$869.2 million. With the opening of "Shanghai-Hong Kong Stock Connect", "Shenzhen-Hong Kong Stock Connect" and "Bond Connect ", the capital markets of PRC and Hong Kong are further interconnected. The Group has successfully seized the business opportunities, as well as the restructuring and economic transformation brought by the PRC market. As a result of the forward-looking strategic deployment of the management, the Group has recorded satisfactory performances in the annual results of every segment of the Group.

During the year, by pursuing value-added and diversified strategies, the Group actively implemented better resources allocation to high- potential segments, with a focus on the development of integrated financial services, securities investment, manufacturing, automation and smart manufacturing equipment, as well as the other emerging business and industries. Meanwhile, property investment and development had also been adopted as one of the Group's major business activities.

In particular, the Group has been included as a constituent of the MSCI China Small Cap Index this year, and is also a constituent of a number of Hang Seng Indexes, including Hang Seng Internet & Information Technology Index, Hang Seng Global Composite Index, Hang Seng Composite Index Series – Hang Seng Composite Index, Hang Seng Composite Industry Index – Information Technology, Hang Seng Composite LargeCap & MidCap Index, Hang Seng Composite MidCap & SmallCap Index and Hang Seng MidCap Index. Being one of the investable stocks in the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect, convincingly reflects recognition of the Group by the market.

Business Review

Automation

The revenue derived from the automation segment increased by 10.7% to approximately HK$613.0 million (2016: HK$553.7 million), accounting for 21.7% of the Group's total revenue (2016: 55.6%). Operating profit contributed by this segment amounted to approximately HK$34.2 million (2016: HK$32.6 million). Through its subsidiary Gallant Tech Limited ("Gallant Tech"), the segment business provides internationally advanced integrated smart manufacturing, smart factories, smart inventory and manufacturing equipment and solutions for China's electronics manufacturing industry, and offers full-services, including consultation, training, spare parts, application services support and leasing of equipment to the industry. As a major market distributor of smart phone manufacturing equipment and manufacturing lines, as well as a supplier of technology solutions, Gallant Tech constantly provides advanced products and quality services to meet the needs of its customers, and hence strengthens the Group's advantages in the industry. With the rapid development of the 5G wireless communication technology business, the demand from the customers for the Group's automation equipment and services will further increase, and it is believed that the sector will achieve great development in the future.

Financial Services

The revenue from the financial services segment increased by 71.6% to approximately HK$145.8 million, accounting for 5.2% of the Group's total revenue (2016: HK$85.0 million). Operating profit generated from this segment amounted to approximately HK$64.4 million (2016: HK$50.6 million). The Group provides a comprehensive financial services platform, through Goldjoy Holding Limited ("Goldjoy Holding") and its subsidiaries, to further step into the innovative financial technology and expand its mobile service platform, rendering better synergies within the Group through cross-selling. In 2017, the global financial markets have achieved significant positive progress. In particular, the Hong Kong capital market, as stimulated by the soaring popularity of new shares and stocks of the emerging economy, has resulted in an upward rally. With the participation of PRC funds and insurance funds, revenue and profit of the business segment had increased accordingly.

The below summarize the business review of individual subsidiaries of Goldjoy Holding:

China Goldjoy Securities Limited ("CGSL") holds major financial service licenses under the Securities and Futures Ordinance of Hong Kong for conducting Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities. During the year, CGSL increased its transactions in the areas of equity, loan capital market, as well as investment and provision of equity financing. Commission of brokerage services, margin interests and handling charge income were stable. Through the adoption of diversified promotional strategies, and various promotion channels such as newspapers, websites and seminars of various types, the number of customers continued to grow. During the year, CGSL won the "Outstanding Trading Platform" of the Fintech Awards organized by ET Net.

China Goldjoy Asset Management Limited ("CGAML") successfully launched the "Goldjoy Brilliant Fund SP" in the third quarter of 2017, and established two new funds in early 2018. As of the date of this report, six funds are under its management, representing an increase in assets under management (AUM) over last year. Such private equity funds have adopted different investment strategies to meet risk-return profile of different investors. The Group will proactively grasp the pulse of the times and opportunities in emerging industries. In the future, the Group will focus on smart manufacturing, new energy, environmental protection and energy saving, as well as bio-pharmaceutical industries, while actively looking for local and overseas partners to develop its fund management business at the same time.

China Goldjoy Bullion Limited ("CGBL") holds a valid business licence for Type A1 transactions (Member No.: 121) issued by The Chinese Gold & Silver Exchange Society (CGSE) for conducting 99% gold bullion, Hong Kong Dollar kilo gold bullion, London Gold and London Silver businesses. At the same time, it incorporated Shenzhen Qianhai KB Bullion Limited (深圳前海宏基金業有限公司) in the PRC to actively expand in the Greater China market, so as to provide quality and safe precious metals trading services for Hong Kong and Mainland customers.

China Goldjoy Credit Limited ("CGCL") holds an authorized money lender license to provide loan and credit financing services in Hong Kong. It provides property and share pledged loan facilities to its customers.

China Goldjoy Wealth Management Limited ("CGWML") was licensed by the Professional Insurance Brokers Association (PIBA) and the Mandatory Provident Fund Schemes Authority (MPFA) to carry out long-term life insurance (including investment-linked long-term insurance), general insurance (or property insurance) and MPF regulated activities. It provides customers with life insurance, property insurance and pension services. During the year, a number of different departments, pursuant to the needs of business development, were newly set up, including overseas education and emigration department, trust department, corporate marketing department, real estate and overseas project department.

In addition to Hong Kong financial market, the Group also strives to grasp the tremendous potential for the growth in both the domestic and overseas financial markets. The Group has successively obtained a private equity fund license in Shanghai and a QFLP (Qualified Foreign Limited Partner) license in Qianhai, Shenzhen, Gangdong Province of PRC, which allows foreign investors to purchase stocks and bonds in the PRC.

Shanghai Hunlicar Investment Management Company Limited ("Hunlicar Capital"), a wholly-owned company of China Goldjoy Investment Limited, holds five private equity investment ("PE") funds during the year. Hunlicar Capital is a private equity investment fund management company in PRC that participates in different asset classes, including bonds, currencies, shares, commodities and derivatives.

Manufacturing

This segment recorded a revenue of approximately HK$122.9 million for the year (2016: HK$58.1 million), which increased by 111.5% over last year, and accounted for 4.3% of the Group's total revenue (2016: 5.8%). This segment resulted in an operating loss of approximately HK$61.0 million (2016: loss of HK$35.1 million) for the year. The business comprises revenue of approximately HK$120.7 million (2016: HK$37.4 million) from the new energy industry and the light emitting diode ("LED") manufacturing business. The Group operates its LED manufacturing business through its wholly-owned subsidiary Shenzhen Bao Yao Technology Co., Ltd. ("BYT"). BYT has now developed into a high-technology manufacturer for professional LED light source, OLED light source and lighting fixture integrating research and development, design, production, sales, lighting engineering, and a service provider for integrated energy saving re-construction works. During the year, by undertaking the project of "Landscape Lighting for One River, Two Coasts and Three Belts of Guangzhou", BYT received favourable recognition. At the same time, through the implementation of cost reduction measures, the cost of the segment is expected to be effectively controlled. Meanwhile, BYT will actively seize the sales opportunities and expect to receive more orders. The Group will also actively seek opportunities to strengthen its development in high-end manufacturing sectors.

Property Investment and Development

Revenue from this segment amounted to approximately HK$1,412.7 million (2016: Nil) during the year, contributing 50.0% of the Group's total revenue. As at 31 December 2017, the Group held a number of properties in Hong Kong, some of which , situated at Lippo Centre in Admiralty, were used as the headquarters of the Group, while the rest was leased for property investment purposes. Given their superior locations and the persistent high market demand for Grade A office space, these investment properties are expected to continue to provide a steady return to the Group.

The Group acquired 75.5% equity interest in Shenzhen B&K New Energy Co., Limited ("Shenzhen B&K") in July and December of 2016. Apart from providing the Group with additional resources and support for the development of new energy and LED lighting business, Shenzhen B&K also provides the Group with the opportunities to participate in the property investment business in PRC. Shenzhen B&K holds a piece of land with a gross floor area (GFA) of approximately 114,500 square meters (sq. m) in the core area of Shenzhen Guangming New District with a GFA of approximately 427,000 sq. m under its planned floor ratio (the "Project"). The Project is carried out in three phases. The first phase covers a GFA of approximately 100,000 sq. m and is deployed as administrative office buildings, product research and development buildings and young talent apartments; the second phase covers a GFA of approximately 87,000 sq. m with development plans as offices and ancillary service facilities. The main structure of the construction has been completed and the phase is scheduled to put into use in mid-2018; the third phase covers a GFA of about 240,000 sq. m with development plans of offices and apartments for high-end talents as well as provision of services such as commercial auxiliaries and international conferences. Shenzhen B&K's project has been successfully established as a large-scale innovative science park which attracts lots of science enterprises to move into the park.

Druing the year, the Group has established its first long-term branded apartment through its subsidiary, Shenzhen Bangkai Commercial Property Co., Limited. Taking advantage of its edge in sectors of finance, commerce, culture and science and technology, the Group has utilized its capital, resources as well as its comprehensive strength in developing technology industry parks. It has explored an innovative path in the leasing market by using its stronger ability of resource integration, thus setting an example for transforming and upgrading stock properties in industrial parks, and promoting a healthy and sustainable development of the home rental industry.

In the meantime, the Group has also successfully acquired Laihua Tai Sheng Limited ("Laihua Tai Sheng") in December 2017. Details of the transaction was disclosed in the announcements of the Company date 8 September 2017, 8 December 2017 and 27 December 2017 respectively. It holds a real estate project in Ganzhou City, Jiangxi Province of the PRC, which possesses an experienced management team in property development and management. The project occupies an area of about 128,000 sq. m with total GFA of about 635,000 sq. m, comprising residential, commercial, hotel and office uses. Laihua Taisheng has become an indirect wholly-owned subsidiary of the Group and its results are consolidated into the accounts of the Group, and will provide a stronger engine for growth in this segment of the Group in the future.

Securities Investment

The revenue from the securities investment segment was approximately HK$530.9 million (2016: HK$298.8 million), accounting for 18.8% (2016: 30.0%) of the total revenue of the Group. In hope of seizing the investment opportunities in economic restructuring and upgrading and technological innovation, as well as establishing cooperative relations with relevant parties, the Group has invested in listed companies with potential and high growth capacity in PRC, Hong Kong and overseas, centering around its main investment line of livelihood and upgraded consumption. In addition to holding the shares of listed companies traded on the Hong Kong Stock Exchange, the Group has been investing in a number of leading listed and unlisted overseas technology companies, specializing in biometric security, wireless data transmission and communications technologies.

As at 31 December 2017, the Group held available-for-sale investment and financial assets at fair value through profit or loss of approximately HK$1,534.9 million and HK$953.0 million, respectively:

			As at 31 December 2017		Fair value/carrying amount	
Nature of investments		**Location**	**Number of shares held**	**Percentage to shareholding in such stock**	**As at 31 December 2017**	**As at 31 December 2016**
	Notes		*'000*	*%*	*HK$'000*	*HK$'000*
Available-for-sale investments						
A. Listed Securities						
China Zheshang Bank Co., Ltd. – H shares		Hong Kong	207,760	5.47%	907,911	816,497
Bank of Zhengzhou Co., Ltd. – H shares		Hong Kong	72,802	4.80%	334,889	–
Shenzhen Kondarl Group Co., Ltd.		PRC	4,750	1.22%	113,989	–
Guanghe Landscape Culture Communication Co., Ltd.		PRC	2,507	1.24%	41,444	–
IDEX ASA	*(a)*	Norway	17,214	3.17%	84,364	112,986
BIO-key International Inc.	*(b)*	USA	88,875	1.16%	1,221	1,828
B. Unlisted Securities						
Powermat Technologies Ltd.	*(c)*	Israel	115	1.53%	20,005	20,005
Keyssa Inc.	*(d)*	USA	2,512	3.74%	27,027	27,027
Kili Technology Corporation	*(e)*	Canada	2,472	16.65%	4,000	8,434
Sub-total					1,534,850	986,777
Financial assets at fair value through profit or loss						
A. Listed Securities						
Madison Wine Holdings Ltd.		Hong Kong	194,280	4.86%	332,219	411,874
Landing International Development Ltd.		Hong Kong	1,220,640	0.83%	378,398	–
Huabang Financial Holdings Ltd.		Hong Kong	–	–	–	188,726
B. Funds			–	–	176,957	–
C. Others			–	–	65,386	148,301
Sub-total					952,960	748,901
Total					2,487,810	1,735,678

NOTES

a) IDEX ASA, listed on the Oslo Stock Exchange of Norway under the ticker symbol IDEX, principally engaged in the development and sale of information technology products;

b) BIO-key, listed on NASDAQ in the United States under the ticker symbol BKYI, specializing in advanced biometric identification solutions;

c) Powermat Technologies Ltd., a privately owned company with headquarters in Israel that provides wireless power solutions primarily to consumers, OEMs and public places.

d) Keyssa Inc., a private company in USA principally engaged in the development of wireless data transmission technologies;

e) Kili Corporation, a private technology company principally engaged in the certification and secure payment software technologies for the civilian market, which holds an interest in Dream Payments Corp. ("Dream Payments") a Canadian company focusing on the development of end-to-end mobile payment processing; and

Financial Review

Revenue

The Group's revenue for the year ended 31 December 2017 increased by 183.8% to approximately HK$2,825.3 million (2016: HK$995.6 million). The revenue analysis by segment is below:

	2017		2016		
	HK$' million	***Proportion to total revenue***	*HK$' million*	*Proportion to total revenue*	*% change*
Automation	**613.0**	**21.7%**	553.7	55.6%	10.7%
Financial Services	**145.8**	**5.2%**	85.0	8.6%	71.5%
Manufacturing	**122.9**	**4.3%**	58.1	5.8%	111.5%
Property Investment and Development	**1,412.7**	**50.0%**	–	–	N/A
Securities Investment	**530.9**	**18.8%**	298.8	30.0%	77.7%
	2,825.3	**100%**	995.6	100%	183.8%

During the year ended 31 December 2017, each of the segments has recorded a double-digit percentage increase in revenue. The Property Investment and Development became the major source of revenue of the Group, accounting for 50.0% of the total revenue, contributed mainly by disposal of completed properties held for sales. The Automation and Securities Investment segments also contributed 21.7% and 18.8% of revenue respectively. The Manufacturing and Financial Services segments have picked up its pace and each of which approximately contributed over HK$100 million of revenue during the year.

Gross Profit and Margin

Gross profit for the year improved by a marked 84.1% to approximately HK$871.3 million (2016: HK$473.4 million), while gross profit margin decreased to 30.8% (2016: 47.5%). The change was mainly caused by the lower gross profit margin of property development which set-off the higher gross profit margin of securities investment and financial services segment.

Other Gains – Net

The net other gain for the year amounted to approximately HK$4.6 million (2016: HK$0.3 million). The net other gain was mainly due to the net effect of gain on disposal of an associate of approximately HK$25.0 million gain on disposal of property, plant and equipment and intangible assets of approximately HK$9.1 million and increase in impairment loss on other receivables and available-for-sale financial assets.

Other Income

The net other income increased by approximately HK$36.2 million to approximately HK$115.3 million (2016: HK$79.1 million), mainly because of the net effect of increase in dividend income from securities investments of approximately HK$28.5 million to HK$60.0 million (2016: HK$31.5 million), and decrease in consultancy fee approximately income of approximately HK$3.0 million to HK$32.2 million (2016: HK$35.2 million).

Distribution Costs

Distribution costs remained stable compared to 2016, at approximately HK$28.8 million (2016: HK$22.1 million), accounting for 1.02% (2016: 2.22%) of total revenue.

Administrative Expenses

Administrative expenses increased to approximately HK$240.3 million (2016: HK$174.9 million), mainly due to the (i) increase in staff salaries and directors' emolument by HK$29.8 million caused by increase in workforce, (ii) increase in depreciation and amortisation by HK$29.3 million and (iii) increase in rental, travel and entertainment expenses by HK$6.3 million due to the expanded company operation.

Finance income – Net

Net finance income was approximately HK$10.7 million (2016: HK$19.9 million). The decrease in net finance income was because of the net effect of the increase in bank borrowings balances throughout 2017 as compared to that of in 2016 after taking into account income arising from adjustment on put option liabilities in relation to acquisition of subsidiaries in 2016 of HK$14.4 million.

Income Tax Expense

Income tax expense decreased by approximately 17.3% to approximately HK$161.5 million (2016: HK$195.2 million) because of the deferred tax expenses in relation to revaluation of properties decreased substantially and increase in taxable profits as a result of better financial performance recorded during the year.

Profit attributable to owners of the Company

Profit attributable to owners of the Company increased significantly by 86.3% to approximately HK$869.2 million, (2016: HK$466.6 million). The increase was mainly due to the Group's (1) gain on bargain purchase of a newly acquired subsidiary and its recognition of sales of completed properties; (2) an increase in gain from short-term securities investment; (3) an increase in dividend income; which was offset by (a) a decrease in fair value gain of investment properties; (b) an increase in distribution costs and administrative expenses due to expanded group operations; (c) a decrease in finance income and (d) share of losses of associates.

Financial Resources Review

Liquidity and Financial Resources

By adopting a prudent financial management approach, the Group continued to maintain a healthy and solid liquidity position. As at 31 December 2017, the Group's cash and cash equivalents totaled approximately HK$2,231.4 million (2016: HK$1,535.6 million, excluding balance transferred to assets classified as held-for-sale). Working capital represented by net current assets amounted to approximately HK$3,602.3 million (2016: HK$2,338.7 million). Current ratio was approximately 2.4 (2016 : 2.7).

Borrowings of the Group as at 31 December 2017 included corporate bonds of approximately HK$31.8 million (2016 : Nil), trust receipt loans of approximately HK$88.0 million (2016: HK$98.5 million) and bank loans of approximately HK$506.1 million (2016: HK$681.1 million). These bank borrowings were secured by corporate guarantees provided by the Company and certain of its subsidiaries and secured by building with carrying amounts of approximately HK$262.3 million and investment properties with carrying amounts of approximately HK$495.0 million. The Group was in a net cash position of approximately HK$1,605.5 million (2016: HK$756.1 million).

Capital Commitments

As at 31 December 2017, the Group had contracted but not provided for capital commitments of approximately HK$0.6 million (2016: HK$2.1 million), HK$156.0 million (2016: HK$145.0 million) and HK$556.4 million (2016: Nil) relating to the additions of property, plant and equipment, investment properties and property development expenditure 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 process of the Manufacturing segment and business of the Automation segment are located in PRC, most of its labour costs and manufacturing overheads were denominated in Renminbi. As such, fluctuation of the Renminbi exchange rate 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 AND REMUNERATION POLICIES

As at 31 December 2017, the Group had approximately 735 (2016: 400) full-time employees mainly in Hong Kong and the PRC.

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.

With the approval of the shareholders at the annual general meeting held at 12 May 2017 and other requirements prescribed under the Listing Rules were met, the scheme mandate limit was refreshed.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing of new shares in October 2017

On 25 October 2017, the Company entered into a subscription agreement with an independent subscriber, pursuant to which an aggregate of 862,068,000 Company's shares have been allotted and issued to the subscriber at the subscription price of HK$0.58 per share. The proceeds from the subscription were approximately HK$499,999,440.

The 862,068,000 shares represent approximately 3.89% of the issued share capital of the Company at the date of the agreement and approximately 3.75% of the issued share capital of the Company as enlarged by the issue of the shares.

Details of the transaction is disclosed in the announcement of the Company dated 25 October 2017.

As at the date of this announcement, the net proceeds of approximately HK$499,899,440 (net of transaction costs and related expense of HK$100,000) have been fully utilised as intended.

Placing of new shares in December 2017

On 3 December 2017, the Company entered into another subscription agreement with three independent subscribers, pursuant to which an aggregate of 2,857,140,000 Company's shares would be issued and alloted to the three subscribers at a subscription price of HK$0.63 per share. The proceeds from the subscription were approximately HK$1,799,998,200.

The 2,857,140,000 shares represent approximately 12.42% of the issued share capital of the Company as at the date of the agreement and approximately 11.04% of the issued share capital of the Company as enlarged by the issue of the shares.

Details of the transaction is disclosed in the announcement of the Company dated 3 December 2017.

As at the date of this announcement, the net proceeds of approximately HK$1,799,898,200 (net of transaction costs and related expense of HK$100,000) have been fully utilised as intended.

BUSINESS OUTLOOK

With the business transformation completed, the Group is better positioned itself to expand its businesses actively in the future in order to achieve business diversification. Towards this end, during the year under review and as at the date of this announcement, the Group had successfully raised capital of approximately HK$2,300 million. Apart from the repayment of bank loans and as general working capital, most of the fund will be utilised for the expansion of existing businesses including the allocation of additional resources in areas such as financial services, property investment and development as well as securities investment in an attempt to achieve more significant business growth. The Group has also been actively seeking suitable investment opportunities to leverage on its business advantages so as to explore more future business possibilities for the Group.

In view of the favourable growth potential in the financial services market in the Greater China region along with a further increase in interest to invest in the Hong Kong financial markets through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect in PRC in recent years, the Group will further promote securities trading and corporate finance services in Hong Kong. To capture the immense opportunities arising from the "One Belt, One Road" initiative, Goldjoy Holdings plans to establish footholds in Beijing and Nanning, Guangxi in 2018 with an aim to open up markets in Eastern China, Northern China and Western China. Besides, the Group will continue its efforts in enriching and optimizing its business portfolio as well as enhancing its sales and trading capacity, in order to provide its customers with more comprehensive and diversified financial services. For the bond market, with its team of investment professionals in the debt capital market, the Group is committed to providing better services to its corporate and government clients in Hong Kong and PRC. Further, benefitting from the intense attention of Mainland investors to the Hong Kong financial market, the trading volume and the number of new customers of the financing services business of institutional clients shall increase significantly. The Group will strive to further expand its debt financing and mergers & acquisitions transactions businesses in the future.

As for the automation segment, the demand for new automated production lines from the electric vehicle manufacturing industry, 5G wireless communication technology business and consumer electronic products is expected to increase further. Therefore, the Group is cautiously optimistic about the growth of the automation business in the future. Furthermore, Gallant Tech will continue to actively develop its businesses towards the direction of combining the finance leasing business and financial market, and provide the finance leasing services of high-end manufacturing and large-scale equipment through its Shenzhen Gallant Tech Finance Leasing Co., Limited. The finance lease business will further expand its scale and improve its services so as to enhance its competitiveness. Looking ahead, Gallant Tech will seize the opportunities under the intelligent and high-end development trend of the manufacturing industry in PRC to strive for greater market share through sustainable development and become one of the Group's steady sources of revenue.

Since 2016, the Group has been actively developing the new energy business including but not limited to LED lighting. Apart from the LED light installation work within the private sector, the Group has also been actively undertaking projects within the public sector in PRC. During the year, the LED lighting business entered a period of rectification. With the change in management and strengthened cost control, the overall future prospects of the LED lighting business is optimistic, and its future performance is expected to be further improved. In addition, with its leading research and development and manufacturing capabilities along with the intensive roadshows and exhibition promotions of the Group, an increase in orders from both domestic and oversea markets is foreseeable in the future

While the performance of the real estate market in PRC remains favourable, the Group will continue to capture investment and development opportunities in the property market of both Hong Kong and PRC, and position the development of property investment and development business as one of its major focuses. Benefiting from the continuous increase in real estate prices in Hong Kong, the rental revenue of its investment properties in Grade A commercial buildings in Admiralty has also risen steadily. Furthermore, Phase I of the B&K Town in Guangming, Shenzhen was established as rental housing during the year. The first long-term rental apartment brand, "All Inn”, launched 1,000 units of “Joyful Talent Apartments” to provide its tenants with a smart community style of apartments with centralized management, comprehensive life services and interactive platforms. The office buildings in Phase II are expected to start operation in 2018, while Phase III is still under development with satisfying progress. Moreover, during the year, the Group acquired LaiHua TaiSheng, which holds a property development project, “世紀城” (Century Plaza*), located at Zhangjiang New District, Ganzhou City, Jiangxi Province of PRC. It is expected that the Group will benefit from the value growth from the sale and leasing of the properties, which helps create a strong growth momentum for this business sector.

Besides, the Group has been actively striving to match its strategy with the national strategy of “One Belt, One Road”, expanding the market in South Asia and Southeast Asia to go international. In February 2018, the Group established a joint venture with companies including Yunnan Energy Investment (HK) Co., Limited (“Yunnan Energy”) . Such joint venture will engage in the investment in projects in relation to clean energy, finance and health, investment management, development of new energy and financial services. Yunnan Energy Investment Group is a significant state-owned enterprise in Yunnan, the PRC and owns 100% of Yunnan Energy. With Yunnan Energy Investment Group’s stated-owned background and its industrial background, the Group shall be able to enter the electricity and new energy sectors. It will also help to broaden the Group’s industrial chain and establish a foundation of cooperation for the Group with other major stated-owned capitals in the future.

The Group will pay close attention to the market conditions and remain optimistic to the capital market, and will continue to look for investment opportunities in financial services, properties investment and development, the high-end manufacturing as well as new energy and new technologies industries so as to generate favourable returns for shareholders.

FINAL DIVIDEND

The Board recommends the payment of a final dividend of HK0.51 cent per ordinary share for the year ended 31 December 2017 (2016: HK0.32 cent) to shareholders whose names appear on the register of members of the Company on Monday, 21 May 2018.

Subject to the approval of the Company's shareholders at the forthcoming annual general meeting to be held on Friday, 11 May 2018, the said final dividend will be paid in cash on or around Tuesday, 5 June 2018. Details of dividend for the year ended 31 December 2017 are set out in Note 9.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed during the following periods:

(a) *for determining eligibility to attend and vote at the 2018 annual general meeting:*

Latest time to lodge transfer documents for registration:	4:30 p.m., Monday, 7 May 2018
Closure of register of members:	Tuesday, 8 May 2018 to Friday, 11 May 2018 (both days inclusive)
Record Date:	Friday, 11 May 2018

(b) *for determining entitlement to the proposed final dividend:*

Latest time to lodge transfer documents for registration:	4:30 p.m., Wednesday, 16 May 2018
Closure of register of members:	Thursday, 17 May 2018 to Monday, 21 May 2018 (both days inclusive)
Record Date:	Monday, 21 May 2018

In order to be eligible to attend and vote at the 2018 annual general meeting and to qualify for the proposed final dividend , all transfer of share(s), accompanied by the relevant share certificate(s) with the properly completed transfer from(s) either overleaf or separately, must be lodged with the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than the respective latest dates and time set out above.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

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 2017.

CORPORATE SOCIAL RESPONSIBILITY & ENVIRONMENTAL MATTERS

While the Company endeavours to promote business development and strive for greater rewards for our stakeholders, we acknowledge our corporate social responsibility to share some burden in building the society where our business has been established and thrived. We actively participate in public welfare activities and supports poverty alleviation so as to jointly create a stable and harmonious community environment. In 2017, the Group participated in the "iFast Metro Race" and supported the "ACCA Community Day" for five consecutive years, further demonstrating our dedication to putting words into action and helping the disadvantaged in the community.

The Group is committed to promoting a green office culture within offices, production lines, staff living areas, outdoor lighting, etc. We have installed LED energy-saving lighting to replace the traditional metal halide lamps, which greatly save electricity.

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 forestry, 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 2017, 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 2017.

REVIEW OF PRELIMINARY ANNOUNCEMENT

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2017 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 is expected to be held on Friday, 11 May 2018 at 11 a.m. and notice of the annual general meeting will be published and dispatched in the manner as required by the Listing Rules.

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 2017 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, 9 March 2018

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Yao Jianhui, Mr. Li Minbin and Mr. Zhang Chi; 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.