



Trillion Grand Corporate Company Limited
萬泰企業股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8103)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2016

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

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

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

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

HIGHLIGHTS

- Revenue from continuing operations for the six months ended 30 September 2016 amounted to approximately HK\$17.5 million representing an increase of approximately 88.73% over the corresponding period in 2015.
- Profit from continuing operations for the six months ended 30 September 2016 amounted to approximately HK\$1.9 million (2015: Loss of HK\$6.1 million).
- Basic earnings per share from continuing operations for the six months ended 30 September 2016 was approximately 1.79 HK cents (2015: Loss per share 10.11 HK cents as restated).
- The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2016 (2015: Nil).

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

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Notes</i>	Unaudited Three months ended 30 September		Unaudited Six months ended 30 September	
		2016	2015	2016	2015
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
Continuing operations					
Revenue	4	13,239	6,010	17,520	9,283
Cost of services		(12,229)	(4,287)	(16,463)	(7,455)
Gross profit		1,010	1,723	1,057	1,828
Net gain/(loss) on change in fair value of financial assets at fair value through profit or loss	6	16,833	(15,403)	7,055	(15,548)
Other income	7	4	994	434	2,003
Selling and distribution expenses		(7)	(91)	(34)	(95)
Administrative expenses		(5,844)	(8,651)	(11,315)	(11,845)
Other gains, losses and expenses	8	5,384	3,916	5,384	22,902
Finance costs	9	(345)	(2,414)	(676)	(5,169)
Share of profit of an associate		–	16	–	16
Profit/(loss) before taxation		17,035	(19,910)	1,905	(5,908)
Income tax expenses	10	–	(11)	–	(11)
Profit/(loss) for the period from continuing operations	11a	17,035	(19,921)	1,905	(5,919)
Discontinued operation					
Loss for the period from discontinued operation	11b	–	(204)	–	(213)
Profit/(loss) for the period attributable to owners of the Company		17,035	(20,125)	1,905	(6,132)

	<i>Notes</i>	Unaudited		Unaudited	
		Three months ended		Six months ended	
		2016	2015	2016	2015
		<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Other comprehensive income item that may be reclassified subsequently to profit or loss:					
Exchange difference arising on translation of foreign operations		107	2,116	823	1,888
Total comprehensive income/(expense) for the period attributable to owners of the Company		17,142	(18,009)	2,728	(4,244)
Earning/(loss) per share			(Restated)		(Restated)
From continuing and discontinued operation					
– Basic and diluted (HK cents)	<i>13</i>	15.02	(31.23)	1.79	(10.11)
From continuing operations					
– Basic and diluted (HK cents)	<i>13</i>	15.02	(30.91)	1.79	(9.76)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<i>Notes</i>	Unaudited 30 September 2016 HK\$'000	Audited 31 March 2016 HK\$'000
Non-current assets			
Plant and equipment		3,855	3,949
Available-for-sale investments		<u>6,600</u>	<u>6,600</u>
		10,455	10,549
Current assets			
Trade and other receivables	14	56,797	38,527
Disposal receivables		–	11,400
Deposit paid for acquisition of investment		12,800	15,796
Deposits and prepayments		2,810	12,865
Amounts due from customers for contract work		13,116	7,311
Financial assets at fair value through profit or loss	15	53,233	3,465
Pledged bank deposits		359	–
Bank balances and cash		<u>4,024</u>	<u>26,986</u>
		143,139	116,350
Current liabilities			
Amounts due to customers for contract work		7,648	8,619
Trade and other payables	16	87,186	86,058
Receipts in advance		1,229	1,269
Short term loan		12,800	–
Tax payable		<u>4,013</u>	<u>4,397</u>
		112,876	100,343
Net current assets		<u>30,262</u>	<u>16,007</u>
Total assets less current liabilities		<u>40,717</u>	<u>26,556</u>
Capital and Reserves			
Share capital	17	119	99,351
Share premium and reserves	18	<u>27,627</u>	<u>(85,091)</u>
Equity attributable to owners of the Company		<u>27,746</u>	<u>14,260</u>
Non-current liabilities			
Bonds		<u>12,972</u>	<u>12,296</u>
		<u>40,718</u>	<u>26,556</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	General reserve <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Share option reserve <i>HK\$'000</i>	Exchange translation reserve <i>HK\$'000</i>	Warrants reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 1 April 2015 (audited)	54,161	417,565	3,056	1,200	–	5,899	1,147	(530,046)	(47,018)
Loss for the period	–	–	–	–	–	–	–	(6,132)	(6,132)
Exchange difference arising on translation of foreign operations	–	–	–	–	–	1,888	–	–	1,888
Total comprehensive income/(expense) for the period	–	–	–	–	–	1,888	–	(6,132)	(4,244)
Issue of shares upon									
– exercise of warrants	2,869	9,180	–	–	–	–	(1,147)	–	10,902
– placement of shares	10,832	7,583	–	–	–	–	–	–	18,415
Share issue expenses	–	(553)	–	–	–	–	–	–	(553)
Recognition of equity-settled share based payments	–	–	–	–	3,250	–	–	–	3,250
At 30 September 2015 (unaudited)	<u>67,862</u>	<u>433,775</u>	<u>3,056</u>	<u>1,200</u>	<u>3,250</u>	<u>7,787</u>	<u>–</u>	<u>(536,178)</u>	<u>(19,248)</u>
At 1 April 2016 (audited)	99,351	452,396	3,056	1,200	–	7,676	–	(549,419)	14,260
Profit for the period	–	–	–	–	–	–	–	1,905	1,905
Exchange difference arising on translation of foreign operations	–	–	–	–	–	823	–	–	823
Total comprehensive income for the period	–	–	–	–	–	823	–	1,905	2,728
Issue of shares upon									
– placement of shares	20	11,306	–	–	–	–	–	–	11,326
Share issue expenses	–	(341)	–	–	–	–	–	–	(341)
Capital reorganisation	(99,252)	–	–	–	–	–	–	99,252	–
Capital reorganisation expenses	–	(227)	–	–	–	–	–	–	(227)
At 30 September 2016 (unaudited)	<u>119</u>	<u>463,134</u>	<u>3,056</u>	<u>1,200</u>	<u>–</u>	<u>8,499</u>	<u>–</u>	<u>(448,262)</u>	<u>27,746</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited	
	Six months ended	
	30 September	
	2016	2015
	HK\$'000	HK\$'000
Net cash outflow from operating activities	(74,027)	(4,311)
INVESTING ACTIVITIES	(365)	–
Purchase of plant and equipment		
Purchase of available-for-sale investments	–	(6,600)
Acquisition of a subsidiary	–	(333)
Proceeds from disposal of assets classified as held for sale	–	1,700
Receipts from disposal receivables	11,400	2,800
Receipts from deposit paid for acquisition of investment	16,000	5,500
Increase in pledged bank deposits	(359)	–
Other investing cash flows	8	602
	<hr/>	<hr/>
Net cash inflow from investing activities	26,684	3,669
FINANCING ACTIVITIES		
Proceeds from issue of bonds	–	12,682
Proceeds from exercise of warrants	–	10,903
Net proceeds from placement of shares	10,984	17,861
Proceeds from short term loan	12,800	–
Repayment of bank borrowings	–	(18,875)
Repayment of promissory notes	–	(6,500)
Repayment of amount due to noteholder	–	(11,784)
Other financing cashflows	(225)	(2,341)
	<hr/>	<hr/>
Net cash inflow from financing activities	23,559	1,946
Net (decrease)/increase in cash and cash equivalents	(23,784)	1,304
Effects of foreign exchange rate	822	(518)
Cash and cash equivalents at 1 April	26,986	6,880
	<hr/>	<hr/>
Cash and cash equivalents at 30 September	4,024	7,666
	<hr/> <hr/>	<hr/> <hr/>
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	4,024	7,666
	<hr/> <hr/>	<hr/> <hr/>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law 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 address of its principal place of business is Room M1B3, 7/F., Kaiser Estate, Phase 3, No. 11 Hok Yuen Street, Hung Hom, Kowloon, Hong Kong. The Company's shares are listed on GEM.

2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Chapter 18 the GEM Listing Rules. The principal accounting policies applied in preparing the unaudited condensed consolidated financial statements for the six months ended 30 September 2016 are set out in note 3.

3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies used in the unaudited condensed consolidated financial statements for the six months ended 30 September 2016 are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2016.

The unaudited condensed consolidated financial statements for the six months ended 30 September 2016 has been prepared under the historical cost basis, except for certain financial instruments, which are measured at fair values, as appropriate. The Directors consider that the carrying amounts of financial assets and financial liabilities measured at cost or amortised cost in these unaudited condensed consolidated financial statements approximate their fair values.

4. REVENUE

Revenue represents income from systems development, professional services rendered and money lending business, net of sales related taxes if any.

An analysis of the revenue by principal activities of the operations of the Group during the reporting periods is as follows:

	Unaudited			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Continuing operations				
Revenue from provision of				
Systems development	7,925	3,656	9,780	5,532
Professional services fees	5,041	2,354	7,372	3,751
Money lending	273	–	368	–
	<hr/> 13,239	<hr/> 6,010	<hr/> 17,520	<hr/> 9,283
Discontinued operation				
Revenue from provision				
of printing services	–	1,867	–	3,411
	<hr/> 13,239	<hr/> 7,877	<hr/> 17,520	<hr/> 12,694
	<hr/> 13,239	<hr/> 7,877	<hr/> 17,520	<hr/> 12,694

The Group has also engaged in proprietary trading business during current period. Gross proceeds from proprietary trading amounted to approximately HK\$8,713,000 and approximately HK\$9,699,000 for the three months and six months ended 30 September 2016 respectively (2015: approximately HK\$5,259,000 and approximately HK\$13,023,000) and realised loss amounted to approximately HK\$123,000 and approximately HK\$3,420,000 for the three months and six months ended 30 September 2016 respectively (2015: approximately HK\$4,271,000 and approximately HK\$1,464,000) (included in the net loss on change in fair value of financial assets at fair value through profit or loss).

5. SEGMENT INFORMATION

(a) Operating segments

Segment information is presented in respect of the Group's business operations and is chosen as the Group's operating segments because this is more relevant to the Group's internal financial reporting.

During the current period, the Group's operations have diversified to the following four operating segments.

An analysis of the Group's revenue and results for the six months ended 30 September 2016 and 2015 by operating segment is as follows:

	System development		Professional services		Proprietary trading		Money lending		Consolidated	
	2016 HK\$'000	2015 HK\$'000	2016 HK\$'000	2015 HK\$'000	2016 HK\$'000	2015 HK\$'000	2016 HK\$'000	2015 HK\$'000	2016 HK\$'000	2015 HK\$'000
Continuing operations										
REVENUE										
Revenue from external customers	<u>9,780</u>	<u>5,532</u>	<u>7,372</u>	<u>3,751</u>	<u>–</u>	<u>–</u>	<u>368</u>	<u>–</u>	<u>17,520</u>	<u>9,283</u>
RESULT										
Segment results	<u>(305)</u>	<u>(601)</u>	<u>264</u>	<u>352</u>	<u>6,810</u>	<u>(15,548)</u>	<u>368</u>	<u>–</u>	<u>7,137</u>	<u>(15,797)</u>
Interest income									212	2,003
Unallocated income and gains									5,570	24,688
Unallocated expenses and losses									(10,338)	(11,649)
Finance costs									(676)	(5,169)
Share of profit of an associate									–	16
Profit/(loss) before taxation									<u>1,905</u>	<u>(5,908)</u>

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by its operating and reportable segments.

	Systems development		Professional services		Proprietary Trading		Money lending		Consolidated	
	30 September 2016 HK\$'000	31 March 2016 HK\$'000	30 September 2016 HK\$'000	31 March 2016 HK\$'000	30 September 2016 HK\$'000	31 March 2016 HK\$'000	30 September 2016 HK\$'000	31 March 2016 HK\$'000	30 September 2016 HK\$'000	31 March 2016 HK\$'000
ASSETS										
Segment assets	<u>40,053</u>	<u>32,020</u>	<u>7,384</u>	<u>3,168</u>	<u>53,218</u>	<u>3,465</u>	<u>14,329</u>	<u>3,157</u>	114,984	41,810
Unallocated assets										
– Plant and equipment									43	11
– Available-for-sale investments									6,600	6,600
– Disposal receivables									–	11,400
– Deposit paid for acquisition of investment									12,800	15,796
– Other receivables, deposits and prepayments									14,784	24,296
– Pledged bank deposits									359	–
– Bank balances and cash									<u>4,024</u>	<u>26,986</u>
Total assets									<u>153,594</u>	<u>126,899</u>
LIABILITIES										
Segment liabilities	<u>56,057</u>	<u>50,585</u>	<u>5,919</u>	<u>7,686</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	61,976	58,271
Unallocated liabilities										
– Other payables									34,087	37,675
– Bonds									12,972	12,296
– Short-term loan									12,800	–
– Tax payable									<u>4,013</u>	<u>4,397</u>
Total liabilities									<u>125,848</u>	<u>112,639</u>

6. NET GAIN/(LOSS) ON CHANGE IN FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Unaudited			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Continuing operations				
Sales proceeds from disposal of trading securities	8,713	5,259	9,699	13,023
Cost of trading securities acquired in current period	<u>(8,836)</u>	<u>(9,530)</u>	<u>(13,119)</u>	<u>(14,487)</u>
Realised losses	(123)	(4,271)	(3,420)	(1,464)
Unrealised gain/(losses) from trading securities	<u>16,956</u>	<u>(11,132)</u>	<u>10,475</u>	<u>(14,084)</u>
Net gain/(losses) on change in fair value of financial assets at fair value through profit or loss	<u><u>16,833</u></u>	<u><u>(15,403)</u></u>	<u><u>7,055</u></u>	<u><u>(15,548)</u></u>

7. OTHER INCOME

	Unaudited			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Continuing operations				
Interest income	4	17	8	17
Imputed interest income	–	977	204	1,986
Others	–	–	222	–
	<u>4</u>	<u>994</u>	<u>434</u>	<u>2,003</u>

8. OTHER GAINS, LOSSES AND EXPENSES

	Unaudited			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Continuing operations				
Impairment loss in respect of				
– trade receivables	–	1,726	–	1,726
– other receivables	–	535	–	535
Gain arising on acquisition	–	(8)	–	(8)
Reversal of impairment losses in respect of (Note)				
– trade receivables	(35)	(477)	(35)	(477)
– other receivables	<u>(5,349)</u>	<u>(5,692)</u>	<u>(5,349)</u>	<u>(24,678)</u>
	<u><u>(5,384)</u></u>	<u><u>(3,916)</u></u>	<u><u>(5,384)</u></u>	<u><u>(22,902)</u></u>

Note: The impairment losses are reversed upon receipt of the previous impaired receivables in the current interim period.

9. FINANCE COSTS

	Unaudited			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Continuing operations				
Interest on bank borrowing				
repayable within one year	–	8	–	204
Interest on promissory notes	–	1,073	–	2,213
Interest on amount due to noteholder	–	69	–	256
Interest on bonds	345	137	676	137
Interest on convertible bonds	–	1,067	–	2,135
Others	–	60	–	224
	<u>345</u>	<u>2,414</u>	<u>676</u>	<u>5,169</u>
Discontinued operation				
Interest on bank borrowing				
repayable within one year	–	26	–	44
Finance costs on finance leases	–	47	–	79
	<u>345</u>	<u>2,487</u>	<u>676</u>	<u>5,292</u>

10. INCOME TAX EXPENSES

- (a) Hong Kong profit tax has not been provided for in the unaudited condensed consolidated financial statements as there was no estimated assessable profit derived from Hong Kong during the six months ended 30 September 2016 and 2015.
- (b) Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the standard tax rate is 25%.

11a. PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS

Profit/(loss) for the period from continuing operations has been arrived at after charging:

	Unaudited			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Staff costs				
Salaries and other benefits	1,012	1,540	2,488	2,929
Retirement benefits scheme contributions	35	78	94	163
	<u>1,047</u>	<u>1,618</u>	<u>2,582</u>	<u>3,092</u>
Share-based payment expenses	–	3,250	–	3,250
Auditors’ remuneration	157	145	315	290
Depreciation	172	269	635	511
Operating leases	1,243	110	2,505	443
	<u>1,243</u>	<u>110</u>	<u>2,505</u>	<u>443</u>

11b. LOSS FOR THE PERIOD FROM DISCONTINUED OPERATION

Loss for the period from discontinued operation has arrived at after charging:

	UNAUDITED			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Staff costs				
Salaries and other benefits	–	145	–	222
Retirement benefits scheme contributions	–	7	–	13
	<u>–</u>	<u>152</u>	<u>–</u>	<u>235</u>
Depreciation	–	14	–	23
Operating leases	–	70	–	125
	<u>–</u>	<u>70</u>	<u>–</u>	<u>125</u>

12. DIVIDEND

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

13. EARNINGS/(LOSS) PER SHARE

From continuing and discontinued operations

The calculation of basic and diluted earnings/(loss) per share attributable to owners of the Company from continuing and discontinued operations is based on the following data:

Profit/(loss)

	Unaudited			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(loss) for the purpose of basic earnings/(loss) per share (profit/(loss) for the period attributable to owners of the Company)	<u>17,035</u>	<u>(20,125)</u>	<u>1,905</u>	<u>(6,132)</u>

	Unaudited			
	Three months ended		Six months ended	
	30 September		30 September	
	2016	2015	2016	2015
		(Restated)		(Restated)

Number of shares

Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	<u>113,390,373</u>	<u>64,447,921</u>	<u>106,409,326</u>	<u>60,633,903</u>
---	--------------------	-------------------	--------------------	-------------------

During the three months and six months ended 30 September 2015, the conversion of all potential ordinary shares outstanding would have an anti-dilutive effect on the loss per share. Hence, there was no dilutive effect on calculation of the diluted loss per share for the three and six months ended 30 September 2015.

The Company has conducted two share consolidations in 2015. For details, please refer to our announcement dated 12 August 2015 and 20 November 2015. The weighted average number of ordinary shares in 2015 have been adjusted to reflect the effect of these share consolidations.

From continuing operations

The calculation of the basic and diluted earnings/(loss) per share attributable to owners of the Company from continuing operations is based on the following data:

Profit/(loss)

	UNAUDITED			
	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit/(loss) for the purpose of basic earnings/ (loss) per share (profit/(loss) for the period attributable to owners of the Company)	<u>17,035</u>	<u>(19,921)</u>	<u>1,905</u>	<u>(5,919)</u>

The denominators used are the same as those detailed above for both basic and diluted earnings/(loss) per share.

From discontinued operation

The calculation of the basic and diluted loss per share attributable to owners of the Company from discontinued operation is based on the following data:

Loss

	UNAUDITED			
	Three months ended		Nine months ended	
	30 September		30 September	
	2016	2015	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss for the purpose of basic loss per share (loss for the period attributable to owners of the Company)	<u>–</u>	<u>(204)</u>	<u>–</u>	<u>(213)</u>
Loss per share From discontinued operation – basic and diluted (HK cents)	<u>–</u>	<u>(0.32)</u>	<u>–</u>	<u>(0.35)</u>

The denominators used are the same as those detailed above for both basic and diluted loss per share.

14. TRADE AND OTHER RECEIVABLES

	Unaudited At 30 September 2016 <i>HK\$'000</i>	Audited At 31 March 2016 <i>HK\$'000</i>
Trade and bills receivables	62,096	43,393
Less: Impairment loss recognised	(28,090)	(29,060)
	34,006	14,333
Retention receivables	8,471	10,548
Less: Impairment loss recognised	(874)	(903)
	7,597	9,645
Other receivables	52,278	58,349
Less: Impairment loss recognised	(37,084)	(43,800)
	15,194	14,549
	56,797	38,527

- (a) Trade and bills receivables are due for settlement in accordance with the terms of the underlying agreements with the customers. Trade receivables with balances that are more than 9 months overdue are requested to settle all outstanding balances before any further credit is granted.
- (b) Impairment loss is recognised against trade and bills receivables based on estimated irrecoverable amount determined by reference to past default experience of customers.
- (c) An aging analysis of trade and bills receivables based on the date of invoice, net of impairment loss recognised is as follows:

	Unaudited At 30 September 2016 <i>HK\$'000</i>	Audited At 31 March 2016 <i>HK\$'000</i>
0-30 days	11,553	4,829
31-90 days	6,990	8,202
Over 90 days	15,463	1,302
	34,006	14,333

15. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Unaudited At 30 September 2016 <i>HK\$'000</i>	Audited At 31 March 2016 <i>HK\$'000</i>
Equity securities listed in Hong Kong, at fair value	<u>53,233</u>	<u>3,465</u>

The financial assets are held for trading purposes. The fair values of these financial assets are based on quoted market prices (Level 1 measurement).

16. TRADE AND OTHER PAYABLES

	Unaudited At 30 September 2016 <i>HK\$'000</i>	Audited At 31 March 2016 <i>HK\$'000</i>
Trade payables	49,629	43,800
Amount due to a former shareholder	17,087	17,655
Accrued expenses and other payables	<u>20,470</u>	<u>24,603</u>
	<u>87,186</u>	<u>86,058</u>

An aging analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

	Unaudited At 30 September 2016 <i>HK\$'000</i>	Audited At 31 March 2016 <i>HK\$'000</i>
0-30 days	33,817	9,103
31-90 days	3,147	21,954
Over 90 days	<u>12,665</u>	<u>12,743</u>
	<u>49,629</u>	<u>43,800</u>

17. SHARE CAPITAL

	Number of shares	Nominal amount HK\$'000
Authorised:		
Ordinary shares of HK\$1 each at 31 March 2016	200,000,000	200,000
Effect of share reorganisation (<i>Note a</i>)	199,800,000,000	—
	<u>200,000,000,000</u>	<u>200,000</u>
Ordinary shares of HK\$0.001 each at 30 September 2016	<u>200,000,000,000</u>	<u>200,000</u>
Issued and fully paid:		
Ordinary shares of HK\$1 each at 31 March 2016	99,351,565	99,351
Effect of share reorganisation (<i>Note a</i>)	—	(99,252)
Issue of shares upon:		
– placement of shares (<i>Note b</i>)	19,870,313	20
	<u>119,221,878</u>	<u>119</u>
Ordinary shares of HK\$0.001 each at 30 September 2016	<u>119,221,878</u>	<u>119</u>

Notes:

- (a) Pursuant to an order granted by the Court of the Cayman Islands on 14 April 2016 approved the reduction of the issued share capital of the Company by reducing the par value of each issued share from HK\$1 to HK\$0.001 by cancelling the paid up share capital to the extent of HK\$0.999 per issued share, each authorised but unissued share of the Company with nominal value of HK\$1 has been subdivided into 1,000 shares of the Company with nominal value of HK\$0.001 each, with effect after 4:00 p.m. on 25 April 2016 but before 9:00 a.m. on 26 April 2016. Further details of the capital reduction of issued shares and subdivision of unissued shares are set out in the announcements dated 20 November 2015, 27 November 2015 and 29 December 2015 and the circular dated 3 December 2015.
- (b) On 28 July 2016, a total of 19,870,313 shares have been successfully placed by a placing agent to not less than six places at the placing price of HK\$0.57 per placing share pursuant to the terms and conditions of the placing agreement.

18. SHARE PREMIUM AND RESERVES

Movements in reserves for the Group during the period are set out in the unaudited condensed consolidated statement of changes in equity.

19. COMMITMENTS

Commitment under operating leases

The Group leases certain of its office premises under operating leases. Leases for properties are negotiated for a term ranging from one to two years and rentals are fixed, with an option to renew the lease. At 30 September 2016 the total future minimum lease payments under non-cancellable operating leases which fall due as follows:

	Unaudited At 30 September 2016 <i>HK\$'000</i>	Audited At 31 March 2016 <i>HK\$'000</i>
Within one year	3,559	3,988
In the second to fifth years inclusive	4,746	6,525
	8,305	10,513

20. LITIGATION

On 4 April 2014, the Company was served with a sealed copy of a petition (the "Petition") issued by Metal Winner Limited ("MWL") in Companies (Winding-up) Proceedings No. 83 of 2014 in the High Court of Hong Kong (the "Winding-up Proceedings") under which MWL (a) claimed that the Company was indebted to MWL in the sum of HK\$5,700,000; and (b) petitioned that the Company be wound up by the Court. As at the date of this announcement, this Petition was dismissed by the High Court of Hong Kong. Separately, there are two other parties who claimed the Company was indebted to them. After investigation, the Company found that the alleged debts claimed by these two parties arose from certain dealings between a former director of the Company and these two parties. The nature and mechanism of these dealings were the same or very similar to that of MWL's. In the Winding-up Proceedings, the court has found that there was an illegal scheme perpetrated on the Company by the aforesaid former director and MWL was a party to that scheme. In gist, the illegal scheme was that the aforesaid former director obtained loans from the counterparty and the Company was falsely made as a borrower to answer the repayment obligation. The Company commenced legal proceedings in the High Court (the "Injunction Proceedings") against these two parties seeking an injunction to restrain them from presenting any petition for the winding-up of the Company or to apply to substitute MWL as petitioner in the Winding-up Proceedings (the "Restrained Acts"). The two parties gave an undertaking to the court not to do the Restrained Acts until the resolution of the Injunction Proceedings.

After the Winding-up Proceedings were dismissed by court, the Company also managed to resolve the Injunction Proceedings by way of a consent order after the two parties were willing to give further undertaking to the court not to present any petition for the winding-up of the Company pending determination of the Writ of Summons to be issued (if any) by them against the Company for recovery of the said alleged debts and/or the determination of any counterclaims or the Writ of Summons to be issued (if any) by the Company against them for declaratory relief that the said alleged debts are void or unenforceable.

On 19 February 2016, the Company has been served with a sealed copy of the Writ of Summons (the "Writ") issued by one of the two parties sued in the Injunction Proceedings (the "Plaintiff"). Under the statement of claim endorsed on the Writ, the Plaintiff claims against the Company for a total sum of HK\$16,600,000 allegedly due on the dishonoured cheques issued by the Company and interest thereon.

In view of the Court's favourable findings in the Winding-up Proceedings and the striking similarity between the case of the Plaintiff and that of MWL in the Winding-up Proceedings, the Company believes that it has strong merits in defending the Plaintiff's claims and in counter-claiming such alleged debts are void and unenforceable. Therefore, the Company will vigorously contend the Plaintiff's claims and will seek legal advice to take all appropriate steps in the legal proceedings to safeguard the Company's interest.

The Company will keep the shareholders of the Company updated with the development of the aforesaid proceedings.

21. EVENTS AFTER THE REPORTING PERIOD

On 17 October 2016, the Group entered into an agreement with an independent party for the acquisition of 50% of the issue share capital of Billion Ray Investments Limited and its subsidiaries at a consideration of HK\$280 million. Please refer to the announcement of the Company dated 17 October 2016 for further details of the acquisition.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Revenue from continuing operations for the six months ended 30 September 2016 amounted to approximately HK\$17.5 million representing an increase of approximately 88.73% as compared to the corresponding period in 2015.

System development and professional services

The Company is facing fierce competition from the thermal powered electricity supply market in the PRC in 2016 and the management expects this phenomenon will continue in the foreseeable future. This was explained by the PRC government promoting the use of renewable and/or clean energy with direct subsidies and has implemented the benchmark for reduction of omission of carbon dioxide in various cities in the PRC. As a result, the Company reduces the bid price to strengthen its competitiveness. Therefore, system development in thermal powered electricity supply industry recorded a lower gross profit margin compared with the corresponding period in 2015. Professional services provided to data center recorded an increase in revenue compared with the corresponding period in 2015 due to the age of "big data" and the effort of management to strengthen the relationship with existing customers.

Proprietary trading business

In relation to the Group's proprietary trading business, we have seen improvements in momentum as well as daily turnover of the Hong Kong stock market. This contributes to a positive change in fair value of its financial assets at fair value through profit or loss. The current valuation of Hong Kong stock market is relatively low compared to other major stock markets such as U.S. and China. The implementation of "Shenzhen-Hong Kong Stock Connect" and the possibility of inclusion of A-shares into MSCI's indices will both attract capital inflow into the market and a market re-valuation is likely happen. The Group is actively seeking opportunities in securities investment which will create value and be beneficial to the Group and Shareholders. The Group also maintains a risk management policy in which key risk factors such as government and politic risks, country risks, price risks, interest rate risks, currency risks and economic risks had been identified and will be closely monitored.

Money lending business

During the past few years from the result of a rapid booming housing market in Hong Kong and the global low interest rate environment, the loan and credit market became very active and intense competition were witnessed. However, the Board is confident that through its long established relationships, history, reputation, network and synergy, the Group is able to participate in the market share of the money lending business and will become one of the drivers of its future profits of the Group. In view of the above, the Board will invest more resources into the business once financing resources have been obtained. In addition to consumable loan, the Company is planning to offer a variety of loan products from secured mortgage loans to individual, unsecured loans, small and medium sized enterprises loans, debt consolidation loans and corporate loans. Despite the above, the money lending business is encountering, regulatory, credit, economic and industry uncertainties and will closely monitor the performance of the money lending market.

FINANCIAL PERFORMANCE

During the six months ended 30 September 2016, the Group recorded a revenue from continuing operations of approximately HK\$17.5 million (2015: HK\$9.3 million) representing an increase of approximately 88.73% as compared to that of the corresponding period in 2015. Administrative expenses from continuing operations decreased to approximately HK\$11.3 million as compared to approximately HK\$11.8 million of the corresponding period in 2015, representing a decrease of approximately 4.47% as compared to that of the corresponding period in 2015. Profit for the period from continuing operations was approximately HK\$1.9 million for the six months ended 30 September 2016 (2015: loss of approximately HK\$6.1 million).

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

During the six months ended 30 September 2016, the Company has made the following issue for cash of equity securities:

- (i) On 29 December 2015, the Company passed the special resolution by the shareholders approving the capital reorganisation at the extraordinary general meeting. Please refer to the Company's announcements and circular dated 20 November 2015, 27 November 2015, 29 December 2015, 25 April 2016 and 3 December 2015 respectively, for details of capital reorganisation. The Company completed the capital reorganisation on 25 April 2016.
- (ii) On 28 July 2016, a total of 19,790,313 shares have been successfully placed by a placing agent to not less than six places at the placing price of HK\$0.57 per placing share pursuant to the terms and conditions of the placing agreement. The net proceeds from the placing, after deducting relevant expenses incurred in relation to the placing, amount to approximately HK\$10.9 million.

The Board continues to look for opportunities to attract more investors, extend the shareholders base, reduce the accumulated loss and improve the flexibility of fund raising.

GEARING RATIO

The gearing ratio as at 30 September 2016 was 486% (31 March 2016: 790%). The gearing ratio calculated on the basis of total liabilities over the total shareholders' equity.

FOREIGN CURRENCY EXPOSURE

During the six months ended 30 September 2016, the Group experienced only immaterial exchange rate fluctuations as the functional currencies of the Group's operations were mainly Hong Kong dollars and Renminbi. As the risk on exchange rate difference was considered to be minimal, the Group did not employ any financial instruments for hedging purposes.

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND AFFILIATED COMPANIES

Company	Six months ended 30 September 2016	As at 30 September 2016		
	Realised and unrealised gain/(loss) HK\$'000	Market Value HK\$'000	Approximate percentage of financial assets at fair value through profit or loss	Approximate percentage of shareholding
Union Asia Enterprise Holdings Limited ("UA")	(6,800)	–	–	–
Code Agriculture (Holdings) Limited ("CA")	3,598	–	–	–
Other	(218)	–	–	–
Net realised loss	(3,420)	–	–	
Enterprise Development Holdings Limited ("ED")	(2,716)	8,557	16.1%	4.8%
UA	(3,391)	4,145	7.8%	2.8%
CNC Holdings Limited ("CNC")	(1,904)	9,039	17.0%	1.0%
CA	18,109	29,814	56.0%	1.6%
Others	377	1,678	3.1%	0.2%
Net unrealised gain	10,475	53,233	100.0%	
	<u>7,055</u>	<u>53,233</u>	<u>100.0%</u>	

UA is principally engaged in trading of stainless steel wires, cosmetic and skincare products, nephrite and bottled water.

ED is principally engaged in providing integrated business software solutions, trading of listed securities and mobile marketing business.

CNC is principally engaged in the provision of waterworks engineering services for the public sector in Hong Kong, television broadcasting business in the Asia-Pacific region (excluding the PRC) in return for advertisement and related revenue and large outdoor display screen advertisement in the PRC.

CA is principally engaged in provision of digital television services in the PRC, money lending business in Hong Kong, provision of car beauty services in Hong Kong, and manufacture and sale of tobacco agricultural machinery in the PRC.

The Company and the vendor has entered into the sale and purchase agreement on 8 August 2016 to acquire 100% of issued share capital of Cicero Capital Limited and its wholly owned subsidiary, Imagi Services Limited (collectively the “Target Group”) at the consideration of HK\$128 million. The Target Group is the legal and beneficial owner of a landed property situated at the 9th Floor, Global Trade Square, No. 21 Wong Chuk Hang Road, Hong Kong, together with 3 car parking spaces at Global Trade Square.

The consideration shall be paid in cash and will be funded by the Loan facilities up to HK\$150 million from Cordoba Homes Finance Limited. Please refer to Company’s announcement dated 8 August 2016 for details. The acquisition was completed on 12 October 2016. Upon completion, the results, assets and liabilities of the Target Group will be consolidated into the financial statements of the Group.

Save as disclosed above, the Company has not completed any material acquisitions or disposal during the period.

Pursuant to the announcement of the Company dated 23 March 2016, the wholly owned subsidiary of the Group (the “Purchaser”) has entered into a Memorandum of Understanding (the “MOU”) with a connected person of the Company (the “Vendor”) to acquire a target group principally engaged in the businesses of building and selling of luxury motor yachts, as well as the sales of yacht-related products and provision of yacht-related services in Zhuhai, the PRC and Hong Kong. The Purchaser and the Vendor have not entered into the Formal Agreement in respect of the Proposed Acquisition on or before the Exclusive Period and no further extension of the Exclusive Period has been agreed between the parties in writing in this regard, the MOU has therefore been lapsed in accordance with its terms on 23 September 2016.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 September 2016, the Group hired 16 employees including the executive Directors (2015: 35). Total staff costs including Directors' remuneration for the six months period under review amounting to approximately HK\$2.6 million (2015: HK\$3.3 million). The Group's remuneration policies are in line with the prevailing market practices and are determined on the basis of performance and experience of individual employees. The Group provides mandatory provident fund scheme for the employees employed under the jurisdiction of the Hong Kong Employment Ordinance.

CONTINGENT LIABILITIES

Save as disclosed in note 20, the Group did not have any material contingent liabilities as at 30 September 2016 (2015: Nil).

FUTURE PROSPECTS

The Group will continue to look for opportunities to create shareholders' value through making investments into and/or acquiring interests in companies or projects that have promising outlooks and prospects. The Group is broadening its perspective beyond the IT sector and potentially also invests into and/or performs acquisitions in other industries (including renewable energy and other "green" businesses, the financial industry, and more traditional non-IT businesses) so long as such acquisitions can bring value and are beneficial to the Company and its shareholders as a whole. It goes without saying that the Company will also continue to focus on existing businesses to bring further value to shareholders.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES

As at 30 September 2016, none of the Directors and chief executive of the Company were interested in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571, the Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have under such provisions of the SFO), or which are required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which are required, pursuant to the required standard of dealing by the Directors under the GEM Listing Rules relating to securities transactions by the Directors, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS

So far as is known to the Directors, as at 30 September 2016, none of the person (other than a director or chief executive of the Company) who have interests or short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who is, directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

LONG POSITIONS IN UNDERLYING SHARES OF THE COMPANY

As at 30 September 2016, no long positions of other persons or substantial shareholders in the underlying shares of equity derivatives of the Company and its associated corporations were recorded in the register.

SHORT POSITIONS IN SHARES OF THE COMPANY

As at 30 September 2016, no short positions of other persons or substantial shareholders in the shares of the Company and its associated corporations were recorded in the register.

SHORT POSITIONS IN UNDERLYING SHARES OF THE COMPANY

As at 30 September 2016, no short positions of other persons or substantial shareholders in the underlying shares of equity derivatives of the Company and its associated corporations were recorded in the register.

As at 30 September 2016, the Directors were not aware of any other person who has an interest or short position in the shares or underlying shares (including interest in options, if any) of the Company as recorded in the register required to be kept under section 336 of the SFO.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Group was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the six months ended 30 September 2016 or at any time during such period.

DIRECTORS' COMPETING INTERESTS

As at 30 September 2016, none of the Directors or their respective associates (as defined under the GEM Listing Rules) had any business or interest in a business which competes or may compete with the business of the Group.

AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 and 5.33 of the GEM Listing Rules and the Corporate Governance Code (the "Code").

The audit committee of the Company reviews the internal accounting procedures, considers and reports to the Board with respect to other auditing and accounting matters, including selection of independent auditors, fees to be paid to the independent auditors and the performance of the independent auditors.

The unaudited condensed consolidated financial statements of the Group for the six months ended 30 September 2016 have been reviewed by the audit committee of the Company.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has adopted the code provisions of the Code contained in Appendix 15 of the GEM Listing Rules as its own code on corporate governance practices. In the opinion of the Directors, the Company has complied with the code provisions as set out in the Code and there have been no material deviations from the Code during the period.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors' securities transactions in securities of the Company.

Having made specific enquiry, all Directors have confirmed that they have complied with the required standard of dealings and there is no event of non-compliance throughout the six months ended 30 September 2016.

OTHER MATTERS

On 28 November 2014, the Company entered into a settlement agreement with Gold Tycoon Limited, under which refund of the deposit paid is payable by Gold Tycoon Limited by 7 instalments being HK\$3,000,000, HK\$3,000,000, HK\$3,000,000, HK\$4,000,000, HK\$4,000,000, HK\$4,000,000 and HK\$4,000,000, on which fall due on 30 April 2015, 31 July 2015, 31 October 2015, 31 January 2016, 30 April 2016, 31 July 2016 and 31 October 2016 respectively. During the six months ended 30 September 2016, all receivable from Gold Tycoon Limited have been fully settled.

On 16 February 2015, the Company entered into a deed of settlement with the purchaser of 上海景福保險經紀有限公司, under which the outstanding disposal receivable is revised from RMB15,000,000 to HK\$17,700,000 which is payable by the purchaser by seven instalments, being HK\$1,000,000, HK\$500,000, HK\$500,000, HK\$1,000,000, HK\$4,700,000, HK\$5,000,000 and HK\$5,000,000, on which fall due on 18 February 2015, 27 February 2015, 30 April 2015, 30 June 2015, 30 September 2015, 31 December 2015 and 31 March 2016 respectively. During the six months ended 30 September 2016, the Company has fully received the outstanding amount.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months period under review, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

By Order of the Board of
Trillion Grand Corporate Company Limited
Lau Kelly
Executive Director

Hong Kong, 14 November 2016

As at the date of this announcement, the Board comprises the following Directors:

Executive Directors:

Mr. Lau Kelly (*Chief Executive Officer*)

Mr. Leung Chung Nam

Non-executive Director:

Ms. Jim Ka Man

Independent non-executive Directors:

Dr. Wan Ho Yuen, Terence

Ms. Yeung Mo Sheung, Ann

Mr. Hau Chi Kit

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

This announcement will remain on the GEM website at <http://www.hkgem.com> on the "Latest Company Announcements" page for 7 days from the date of its posting and on the website of the Company at <http://www.trilliongrand.com>.