TRINITY LIMITED

利邦控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 891)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

Highlights

	2017	2016
Revenue *(HK$ million)*	**862.4**	890.8
Gross profit *(HK$ million)*	**594.3**	606.8
Gross margin (%)	**68.9%**	68.1%
Core operating profit/(loss) [1] *(HK$ million)*	**(184.2)**	(170.4)
Loss attributable to shareholders *(HK$ million)*	**(257.0)**	(200.4)
Basic loss per share [2] *(HK cents)*	**(14.7)**	(11.5)

Notes:

1. *Core operating profit/(loss) includes profit/(loss) of the retail, wholesale and licensing businesses before net finance costs, income tax, gain on remeasurement of contingent purchase consideration payable for acquisition and material gains or losses which are of capital nature or non-operational related and share of results of associated companies*
2. *Basic loss per share = Loss attributable to shareholders / weighted average number of ordinary shares in issue*

CHAIRMAN'S STATEMENT

Signs of growth

In the first six months of 2017 there were signs that the economic headwinds of the past few years are stabilising; while Trinity Limited (the "Company" or "Trinity") and its subsidiaries (together "the Group") continued to face challenges, we believe we are seeing indications of the beginnings of a turnaround.

The previously depressed retail environment in the Chinese Mainland, our most important market, shows some signs of growth in 2017, but we are not seeing the same in other markets such as Hong Kong, Macau and Taiwan. Retail sales growth in Hong Kong fell to a 17-year-low in 2016 and this trend has continued into the first half of 2017 with the value of total retail sales decreasing by 0.6% compared with the same period in 2016[1]. The intense competition in the premium menswear industry along with changes in the preferences of Chinese tourists towards a more casual look have also impacted our sales in these markets.

The Board continues to work closely with the leadership team, to ensure the right steps are being taken to deliver an improved performance. Collectively the Board and the executive leadership understand that this takes time. However, the Group is moving in the right direction with the implementation of a number of key initiatives designed to improve our financial position.

Building brands for today's world

I am particularly supportive of the strengthening of the brand management structure in Asia. This is a key strategic development. At the heart of Trinity, and what makes us different from other menswear companies, is our superb collection of heritage brands. Individually Cerruti 1881, Gieves & Hawkes and Kent & Curwen have such distinct DNA and collectively the brands combine to offer our customers the clothes and accessories they desire, whatever the occasion.

Today's consumer is very different from the customer we dressed and appealed to even five years ago. All our brands, to different degrees, are responding to the increasingly casual way men are dressing around the world and this development will be crucial to our return to profitability.

Gieves & Hawkes, founded in 1771, will always be known as one of United Kingdom's most prestigious tailors, is gradually widening its focus from formal wear to a more rounded portfolio. Cerruti 1881 is another jewel in Trinity's crown and as we celebrate the brand's 50th anniversary, Cerruti is embracing contemporary trends to become a quintessential lifestyle brand. Kent & Curwen's ongoing and fruitful partnership with sportsman and fashion icon Mr David Beckham has attracted a fresh new audience to our historic sporting brand. Yet while all three brands are looking forward, they are not forgetting their past. We are not ignoring our traditional and loyal clientele but instead refreshing the brands to make them relevant to all.

Building a supply chain for tomorrow

Market leader Li & Fung, which is also part of the Fung Group, is now responsible for our supply chain. While Trinity benefits from lower costs, Li & Fung's well-known operational excellence will result in swifter responds to trends with customers receiving quality products in the shorter timeframe that they are increasingly demanding. Speed and efficiency are the new currency to produce what is needed, when it is needed and in the amount it is needed.

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[1] http://www.info.gov.hk/gia/general/201708/02/P2017080200374.htm

Making positive changes

The Group is focused on managing costs and has closed a number of non-performing stores in the period under review. At the same time, the Group is opening stores selectively in key prime and high traffic shopping malls.

The importance of e-Commerce to our business means that building on our relationships with key online partners around the world is an absolute priority. I am pleased to report that in the first half our e-Commerce sales doubled from the same period in 2016, albeit from a small base. China's e-Commerce market is forecast to be worth US$1.7 trillion by 2020[2] and with the addition of 200 million online shoppers between now and then, it is vitally important that we can service them online and offline. Together with our core retail network, this means we are wherever our consumers want us to be.

Reviving our business is taking time and there is no doubt that we will continue to face challenges ahead. However the Board is in total agreement that the initiatives being delivered by the leadership team are the right course of action. We remain confident in the long-term growth prospects of the premium menswear market and we believe that the rise of China's middle class will lead to increased demand.

Collectively we are all working hard to position the Company for future growth and on behalf of the Board, I would therefore like to extend my sincere thanks to our colleagues around the world who conduct themselves with such professionalism and dedication.

Victor FUNG Kwok King
Chairman
Hong Kong, 23 August 2017

[2] http://www.goldmansachs.com/our-thinking/pages/ronald-keung-china-next-leg-of-growth.html?cid=scl%2Dnp%2Dfacebook%2Devergreen%2Dpost%2D20171&sf97393041=1

CHIEF EXECUTIVE OFFICER'S OVERVIEW

Driving the business through brands

I have now been Chief Executive Officer at Trinity for over a year after re-joining the company at a difficult point in its history. During this period I have focused on addressing how our business can once again thrive in the global premium menswear market, one which is a very different proposition from a decade ago.

Flat economic growth in many of the territories we operate in, depreciation of the renminbi, and a highly promotional market has adversely affected our performance. Our product mix is also changing towards lower priced, more casual units. While the economy in the Chinese Mainland, our most important market, is improving, sales in other markets including Hong Kong, Macau and Taiwan remain subdued. Despite this the most immediate and promising signs are that in the first half we recorded double-digit growth in the number of units sold across our three wholly-owned international menswear brands, Cerruti 1881, Gieves & Hawkes and Kent & Curwen, as well as our licensed brand D'URBAN. If we exclude the effect of exchange rate differences, our same store sales in the Chinese Mainland grew by 8.1%. However, overall revenue continues to be flat and in line with performance in 2016. It is disappointing that the Group is reporting an operating loss for the first half of this year.

As outlined in our previous reports, we are implementing a number of initiatives which we began in 2016 that will better position the Group in the future. We continue to focus on the ethos of 'Back to Basics', concentrating on our heritage brands and ensuring that they look to the future while remaining true to their unique spirit.

Brand leadership in Europe and Asia

In 2016 we clarified and focused the direction of our heritage brands. The brand heads in Europe are focusing on building brand equity, driving global licensing business and enhancing brand visibility by being in key retail locations.

In the first half of 2017, we implemented the brand management structure in Asia to accelerate the decision-making process across the territories where we operate. Our four brand heads in Asia have profit and loss responsibility and oversee all key functions in Asia including marketing, buying and retail execution. The teams in Europe and Asia work closely together.

Changes to our supply chain

Another key development which holds great promise is a fundamental change to our supply chain. Supply chain market leader Li & Fung, which is the associate of Fung Group, is now responsible for our sourcing. This partnership, which began in June, lowers our headcount and will reduce our costs while Li & Fung's well-known operational excellence ensures that our brands will have the quality products in-store and online at the right time.

Cost reduction actions

Cost saving measures include the ongoing rationalisation of non-performing stores within our network. We have closed loss making stores across all our brands and now believe that the network in all our markets is in good shape and an asset to the business. Reviews of Trinity's management structure have continued and as appropriate the decision making process has been streamlined. The Group's headquarters is also relocating in late August to a lower cost location. As reported previously, the full closure of the Hong Kong manufacturing operation was completed in the first half of 2017.

Driving the brands forward

Our brands each have a unique positioning in the market. Cerruti 1881 embodies Italian panache, Kent & Curwen is the essence of British sporting life, Gieves & Hawkes remains Great Britain's most prestigious tailor and D'URBAN is the number one suit brand in Japan. Within these identities each are responding to the growing demand for casual wear in ways consistent with their DNA.

Cerruti 1881

This year Cerruti celebrates its 50th anniversary. This important milestone is being marked with the release of an exclusive collection. The priority for the brand is strengthening the Chinese Mainland market and improving our retail network. I am pleased to report that Cerruti's performance in the Chinese Mainland in the first half has been positive with growth against the same period in 2016.

As the premium menswear market becomes more reliant on casual wear, the brand's designers are launching a wider product range to tap into this opportunity. A new store concept is also being rolled out across Greater China with an updated, more contemporary colour palate to appeal to younger consumers. The brand's pop-up flagship in Paris has served Cerruti well with its highly visible location providing an excellent opportunity to build the brand. We continue to place great value on our licensing relationships which contribute significant revenue. Cerruti is making good headway in fulfilling its potential as a global lifestyle brand.

Kent & Curwen

Our heritage brand's partnership with football and fashion icon David Beckham continues to attract positive attention; following the encouraging response to the 2016 capsule collection, the full collection is now being launched in all our markets.

We are positioning Kent & Curwen so that it can become a truly global player as a men's lifestyle brand by targeting both our traditional customer and younger customers that are being bought into our stores by the association with Mr Beckham. This year we have launched pop-up stores in cities in the Chinese Mainland as well as in Taiwan. Kent & Curwen will also open a flagship store this September in London's Covent Garden to capitalise on the brand's authentic British heritage. These initiatives are all part of our strategy to bring the brand to a wider audience.

The partnership with Mr Beckham has incurred significant costs, including design and development, in advance of any product being available in stores. While these costs have had an impact on profitability in the reporting period, we are confident that our association with him will reap rewards in the future.

Gieves & Hawkes

Gieves & Hawkes was founded in 1771 and is considered a bastion of aspirational British style and elegance. We are proud to say we have been Royal Warrants holders since 1809. By subtly updating its timeless sophistication the iconic brand is attracting a new generation of clients with two main initiatives. As demand for more relaxed attire grows, Gieves & Hawkes is gradually adding a more relaxed English 'country gentleman' range of casual wear to its product mix. We have also noted that the Chinese Mainland market is seeking greater personalisation so we have renewed our focus on tailoring with our private tailoring service being rolled out in tier 1 and tier 2 cities. This service has proved very popular with our most important customers.

We are also seeking to expand Gieves & Hawkes' licensing business into complementary categories such as eyewear, luggage and fragrances to drive revenue and build awareness. As the market in the Chinese Mainland improves, we remain confident that the future of this historic brand is positive.

D'URBAN

Founded in 1970, Trinity's licensed brand D'URBAN unites European tailoring traditions and Japanese craftsmanship. D'URBAN has established itself as a leading menswear brand in the region. In response to our customers' preference for a more casual lifestyle we will work with our partners to extend the brand's sportswear range to meet this need. We are also expanding the Personal Order Service to all regions in Greater China. This year marks the 20th anniversary of the D'URBAN "Monsoon" collection, which was developed for hot and humid climates. To mark the anniversary, the collection will be offered all year round.

e-Commerce sees positive growth

We are encouraged with the performance of our e-Commerce platform in the first half of this year with revenue doubling against the same period in 2016. We continue to invest in our platforms and are very optimistic about the opportunities that this business model offers. The enabling power of e-Commerce in the Chinese Mainland, where the sector is the world's largest and equivalent to the combined size of the next six biggest markets, is an area of significant focus.

We are laying the foundations for a truly omnichannel experience across all our brands. e-fulfilment is a priority and we are focusing on reducing delivery times. We are also using WeChat and other social media channels to build relationships with customers and offer a more personalised experience. Our relationships with pioneering e-Commerce platforms Tmall, Farfetch and Mr Porter continue to develop.

The path to success

The initiatives I have outlined have one aim: to position our business to thrive in today's and tomorrow's new retailing era. Since re-joining the company I have witnessed daily the hard work of our teams who are totally committed. I am convinced that the future for Trinity is positive and I am proud of our team's efforts to put our company on the right path. The next six months will undoubtedly have its share of challenges and uncertainty; however, I know I speak for everyone at Trinity when I say we remain as determined as ever to deliver the results we all desire.

Jeremy HOBBINS
Chief Executive Officer
Hong Kong, 23 August 2017

DISCUSSION AND ANALYSIS

Revenue

Revenue for the first half of 2017 was HK$862.4 million, which was 3.2% lower than the same period last year. Excluding the effect of exchange rate differences, revenue increased by 0.9%. The Group's same-stores sales decreased by 4.6%.

The decline was primarily caused by the ongoing depressed state of the Hong Kong and Macau markets due to keen price competition and changing consumer preference towards casual wear products at lower price points, which was partially offset by some improvement in consumer sentiment in the Chinese Mainland.

Revenue by geographical location

Retail Sales

Hong Kong & Macau

Retail sales in Hong Kong & Macau were HK$245.4 million, 4.9% lower than the same period last year. Same-store sales decreased by 8.6%. This was due to change in preferences of Chinese Mainland tourists towards casual wear products.

Chinese Mainland

Retail sales in the Chinese Mainland was HK$367.4 million, representing a decrease of 2.8% compared to the same period last year. The reduction was mainly caused by the depreciation of the Renminbi. If the effects of exchange rate differences were excluded, retail sales grew by 3.5%. We continued to streamline our store network by closing unprofitable locations and opening new stores in prime locations resulting in a net decrease of 19 stores in the first half of 2017. Same-store sales increased by 1.6%.

Taiwan

Retail sentiment remained weak in Taiwan mainly due to decrease in Chinese Mainland tourists resulting in a 7.0% decrease in retail sales to HK$60.3 million compared to same period last year. The decline in same-store sales was 9.4%.

Europe

In Europe, retail sales for the first half of 2017 were HK$60.4 million, a decrease of 11.1% compared to 2016. Excluding the effect of the depreciation of the Euro and the Sterling, revenue increased by 1.3% compared to same period last year.

Wholesale and licensing

Greater China

Wholesale revenue in Greater China increased from HK$56.9 million in the first half of 2016 to HK$66.5 million in the first half of 2017.

Europe

Licensing revenue increased from HK$36.8 million in the first half of 2016 to HK$38.3 million while wholesale revenue decreased from HK$25.1 million to HK$20.6 million compared to same period last year, reflecting the strategic shift from wholesale to licensing.

Gross profit

The gross profit for the first half of the year was HK$594.3 million, a decline of 2.1% from the same period last year. The gross profit margin for the reporting period increased from 68.1% to 68.9% as a result of the improved wholesale margin and rising licensing income.

The retail gross profit margins for Greater China in the first half of 2017 decreased from 71.3% to 70.0% compared to same period last year as a result of sales discounts offered and product mix change.

Segmental contribution

For the six months ended 30 June 2017, the segmental contribution for the Group increased from HK$77.9 million in the same period last year to HK$85.0 million. In particular, the segmental contribution of the Chinese Mainland improved from HK$34.8 million to HK$59.8 million as a result of the closure of loss-making stores and increased wholesale revenue. The improvement was partially offset by the decline in contribution from Hong Kong, Macau, Taiwan and rest of the world.

Other income

Other income was HK$7.4 million in the first half of 2017, compared to HK$5.7 million in the same period last year. This was mainly due to an increase in tax subsidies received in the Chinese Mainland.

Selling, marketing and distribution expenses

Selling, marketing and distribution expenses amounted to HK$547.0 million against HK$522.2 million for the same period last year. The increase was mainly due to additional costs relating to our arrangement with Seven Global LLP / David Beckham and e-Commerce initiatives.

General and administrative expenses

General and administrative expenses amounted to HK$239.0 million, a decrease of 8.3% from the same period last year. This was largely benefited from the staff costs reduction arising from the restructuring of management team. The Group is continuing to implement structural measures to reduce the overheads of the business.

Core operating profit/(loss)

The Group's core operating loss was HK$184.2 million, representing an 8.1% increase as compared to the same period last year.

Restructuring costs

Restructuring costs of HK$60.1 million were incurred due to the closure of our business wear production line in Hong Kong and the associated restructuring of sourcing functions. Restructuring costs in 2016 of HK$22.8 million were incurred due to the closure of our casual wear production line in Hong Kong.

Net finance costs

Net finance costs were HK$13.3 million in the first half of 2017, whereas net finance costs of HK$7.8 million were reported in the same period of 2016. The increase was due to an increase in borrowings and higher interest rates.

Share of Loss of Associates

In the first half of 2016, the share of loss of associates was HK$0.3 million, representing loss sharing from our 20% interest in the Ferragamo businesses in South Korea and other countries in Southeast Asia. It did not recur in 2017 as the Group disposed of the remaining 20% interest in December 2016.

Income Tax

Income tax credit was HK$0.6 million, whereas income tax credit of HK$0.8 million was reported in the same period of 2016.

Loss attributable to Shareholders

The Group incurred a loss of HK$257.0 million, which translates into a loss of 14.7 HK cents per share.

Working Capital Management

Inventory control continued to be a key element in working capital management. Our continuous focus on inventory management drove stock levels down from HK$504.9 million in December 2016 to HK$494.5 million in June 2017. The inventory value was HK$523.8 million in June 2016. Inventory turnover days for the first half of 2017 were 337 days, compared with 356 days in December 2016 and 357 days in June 2016.

The Group's trade receivables in June 2017 were HK$67.4 million, compared to HK$83.1 million and HK$80.7 million in June 2016 and December 2016 respectively. The Group's trade receivable turnover days were 16 days in 2017, compared with 18 days as at December 2016 and 18 days in the same period of 2016.

The Group's trade payables as at June 2017 were HK$95.0 million, compared to HK$52.0 million and HK$62.5 million in June 2016 and December 2016 respectively. The Group's trade payable turnover days were 53 days for the period ended 30 June 2017, compared with 43 days in December 2016 and compared with 39 days in June 2016.

Financial Position and Liquidity

Net cash outflow for the Group's operating activities was HK$139.8 million mainly due to the operating losses.

As at the end of June 2017, cash and cash equivalents were HK$547.6 million and interest bearing bank borrowings and bank overdrafts were HK$1,438.7 million. This resulted in net debt of the Group of HK$891.1 million and an 26.4% gearing ratio, equal to net debt divided by total capital. Net debt is calculated as interest bearing bank borrowings and bank overdrafts less cash and cash equivalents. Total capital is calculated as total equity, as shown in the condensed consolidated statement of financial position, plus net debt. The comparable position for June 2016 and December 2016 was 18.5% and 21.1% respectively.

Banking Facilities

The Group continued to streamline its banking requirements with its core relationship banks during the reporting period. As at 30 June 2017, the Group had bank lines of HK$2,367.0 million. Of which HK$590.0 million was in committed facilities while the remaining HK$1,777.0 million was uncommitted. The Group had drawn down HK$590.0 million of the committed facilities, HK$805.7 million revolving loans as well as HK$102.3 million trade financing and bank overdrafts, which represented the total facilities utilisation of 63.3% at the end of the period. The undrawn facilities at period end amounted to HK$869.0 million.

Out of the loans drawn down, HK$945.7 million is repayable within one year and HK$450.0 million is repayable between one and five years.

Credit Risk Management

The major credit risk of the business includes trade receivables from department stores, wholesale customers and licensees. The Group has established procedures to evaluate and monitor the credit risk of department stores, wholesale customers and licensees in order to control its exposure in this area. Appropriate actions have been taken to collect the overdue receivables.

The Group's cash and cash equivalents have been deposited with major international banks.

Foreign Exchange and Interest Rate Management

The Group purchases a substantial part of its production materials and finished goods in foreign currencies. To minimise foreign-exchange risks, the Group has a hedging policy in place.

The Group evaluates interest-rate risks periodically to determine the need to hedge against adverse interest-rate movements. As the Group's interest rate exposure was expected to be limited, no hedging activities were undertaken during the reporting period.

Human Resources and Training

As at 30 June 2017, the total workforce for the Group was 2,345 employees, compared with 2,665 a year earlier, a 12.0% decrease. This headcount reduction was largely due to the closure of non-performing stores and of our business wear production line at the Hong Kong factory.

Our workforce comprises 477 employees in Hong Kong and Macau; 1,453 in the Chinese Mainland; 176 in Taiwan and 239 in other countries. Total staff costs were HK$306.8 million for the first half of 2017, compared to HK$321.8 million for the same period last year. The staff cost decrease was mainly due to the reduction in staff headcount associated with the Hong Kong business wear production line closure and the restructuring of management team in 2017.

The Group offers competitive remuneration packages, share options and development opportunities to its employees. Performance- and results-based bonuses and share options are granted as a means to reward and retain a high-calibre team.

Cultivating our highly skilled workforce and supporting employees' long-term career goals is integral to sustaining and strengthening our economic performance. The Group offers a wide array of professional development programmes including leadership training. Our Study Sponsorship Policy is one of our keystone development programmes. This policy encourages staff to build upon their existing skill sets by sponsoring external job-related training and studies.

Sustainability

Operating with integrity and being a socially responsible corporate citizen are important to Trinity. Sustainability is one of our core values, and it is also an important business strategy covering employee, community and the environment.

Our employees are our most valuable asset and they form the backbone for all of our sustainability practices. During the first six months of 2017, our colleagues participated in 14 different sustainability related activities involving social, environmental and employee wellness programs, and in so doing, they contributed a total of 1,325 hours for good causes.

Trinity has issued its first Environmental, Social and Governance report in 2017. We take a responsible stance with regard to the environment and are committed to mitigating its impact to the environment by integrating responsible environmental practices focused on reuse, recycle and reduce objectives.

On tracking of environmental data such as the use of resources and green house gas emissions, we implemented an online platform for data capturing. We will extend our data collection to more business operational regions when situation allows. Trinity will explore opportunities to measuring its own waste and find ways to reduce waste in addition to our recycling initiatives.

The board of directors (the "Board") of Trinity Limited (the "Company") announces the unaudited interim results of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2017.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	**Unaudited Six months ended 30 June 2017 HK$'000**	2016 HK$'000
Revenue	2(a)	**862,420**	890,820
Cost of sales		**(268,081)**	(284,020)
Gross profit		**594,339**	606,800
Other income		**7,447**	5,658
Selling, marketing and distribution expenses		**(547,045)**	(522,248)
General and administrative expenses		**(238,984)**	(260,583)
Core operating profit/(loss)		**(184,243)**	(170,373)
Restructuring costs	3	**(60,132)**	(22,780)
Operating loss	3	**(244,375)**	(193,153)
Net finance costs		**(13,266)**	(7,753)
Share of loss of associates	2(a)	**-**	(310)
Loss before income tax		**(257,641)**	(201,216)
Income tax	4	**606**	826
Loss for the period attributable to shareholders of the Company		**(257,035)**	(200,390)
Basic loss per share attributable to shareholders of the Company (expressed in HK cents per share)	5(a)	**(14.7) cents**	(11.5) cents
Diluted loss per share attributable to shareholders of the Company (expressed in HK cents per share)	5(b)	**(14.7) cents**	(11.5) cents

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Unaudited Six months ended 30 June	
	2017	2016
	HK$'000	HK$'000
Loss for the period	**(257,035)**	(200,390)
Other comprehensive income/(expenses) for the period		
Item that will not be reclassified subsequently to profit or loss		
Remeasurements of post employment benefit obligations	**-**	230
Item that may be reclassified subsequently to profit or loss		
Exchange differences on translation of subsidiaries and associates	**37,798**	(1,289)
Other comprehensive income/(expenses) for the period, net of tax	**37,798**	(1,059)
Total comprehensive expenses for the period	**(219,237)**	(201,449)
Total comprehensive expenses attributable to:		
- Shareholders of the Company	**(219,237)**	(201,449)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**Unaudited 30 June 2017 HK$'000**	Audited 31 December 2016 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**128,689**	150,394
Intangible assets		**3,244,073**	3,252,541
Loan receivables	7	**159,111**	142,225
Derivative financial instruments	8	**6,061**	6,022
Deposits, prepayments and other receivables		**48,437**	45,345
Deferred income tax assets		**214,793**	193,603
		3,801,164	3,790,130
Current assets			
Inventories		**494,515**	504,940
Trade receivables	9	**67,369**	80,663
Deposits, prepayments and other receivables		**90,807**	100,899
Derivative financial instruments	8	**4,330**	-
Amounts due from related parties		**6,055**	3,379
Current income tax recoverables		**2,211**	2,201
Cash and cash equivalents (excluding bank overdrafts)		**547,630**	580,574
		1,212,917	1,272,656
Total assets		**5,014,081**	5,062,786
EQUITY			
Capital and reserves attributable to the Company's shareholders			
Share capital		**174,653**	174,653
Share premium		**2,376,850**	2,376,850
Reserves		**(69,043)**	149,457
Total equity		**2,482,460**	2,700,960
LIABILITIES			
Non-current liabilities			
Borrowings		**446,376**	565,579
Provision for long service payments		**1,582**	6,309
Retirement benefit obligations		**23,305**	24,183
Other payables and accruals		**165,400**	188,702
Contingent purchase consideration payable for acquisition		**184,789**	181,758
Deferred income tax liabilities		**295,896**	287,790
		1,117,348	1,254,321
Current liabilities			
Trade payables	10	**95,023**	62,518
Other payables and accruals		**297,933**	287,283
Derivative financial instruments	8	**-**	3,306
Amounts due to related parties		**10,370**	7,962
Current income tax liabilities		**18,581**	7,763
Borrowings		**992,366**	738,673
		1,414,273	1,107,505
Total liabilities		**2,531,621**	2,361,826
Total equity and liabilities		**5,014,081**	5,062,786

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Unaudited				
	Attributable to shareholders of the Company				
	Share capital HK$'000	Share premium HK$'000	Retained earnings HK$'000	Other reserves HK$'000	Total HK$'000
Balance at 1 January 2017	**174,653**	**2,376,850**	**444,779**	**(295,322)**	**2,700,960**
Comprehensive expense					
Loss for the period	**-**	**-**	**(257,035)**	**-**	**(257,035)**
Other comprehensive income					
Exchange differences on translation of subsidiaries	**-**	**-**	**-**	**37,798**	**37,798**
Other comprehensive income for the period, net of tax	**-**	**-**	**-**	**37,798**	**37,798**
Total comprehensive expenses	**-**	**-**	**(257,035)**	**37,798**	**(219,237)**
Transactions with owners					
Employee share option scheme					
- value of employee services	-	-	-	**737**	**737**
- transfer to retained earnings	-	-	**2,677**	**(2,677)**	**-**
Total transactions with owners	**-**	-	**2,677**	**(1,940)**	**737**
Balance at 30 June 2017	**174,653**	**2,376,850**	**190,421**	**(259,464)**	**2,482,460**
Balance at 1 January 2016	174,653	2,376,850	887,043	(247,948)	3,190,598
Comprehensive expense					
Loss for the period	-	-	(200,390)	-	(200,390)
Other comprehensive expenses					
Remeasurements of post employment benefit obligations	-	-	230	-	230
Exchange differences on translation of subsidiaries and associates	-	-	-	(1,289)	(1,289)
Other comprehensive expenses for the period, net of tax	-	-	230	(1,289)	(1,059)
Total comprehensive expenses	-	-	(200,160)	(1,289)	(201,449)
Transactions with owners					
Employee share option scheme					
- value of employee services	-	-	-	1,143	1,143
- transfer to retained earnings	-	-	595	(595)	-
Total transactions with owners	-	-	595	548	1,143
Balance at 30 June 2016	174,653	2,376,850	687,478	(248,689)	2,990,292

Notes:

1. Basis of preparation and accounting policies

This unaudited condensed consolidated financial information for the six months ended 30 June 2017 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The condensed consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2016, which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs") (which includes all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations) and the disclosure requirements of the Hong Kong Companies Ordinance Cap 622.

The accounting policies applied and used in this condensed consolidated financial information are consistent with those used and described in the annual consolidated financial statements for the year ended 31 December 2016.

Taxes on loss in the interim periods are accrued using the tax rate that would be applicable to expected total annual losses.

(a) Adoption of amendments to existing standards effective in 2017

The Group has adopted the following amendments to existing standards which are mandatory for accounting periods beginning on or after 1 January 2017 and relevant to the Group:

HKAS 7 (Amendment)	Statement of Cash Flows: Disclosure Initiative
HKAS 12 (Amendment)	Recognition of Deferred Tax Assets for Unrealised Losses
HKFRS 12 (Amendment)	Disclosure of Interests in Other Entities

The adoption of such amendments to existing standards does not have material impact on the condensed consolidated financial statements as at and for the six months ended 30 June 2017.

1. Basis of preparation and accounting policies (Continued)

(b) New standards, amendments and interpretations to existing standards that have been issued but are not yet effective

The following new standards, amendments and interpretations to existing standards have been issued but are not yet effective and have not been early adopted by the Group:

HKFRS 2 (Amendment)	Share-based Payment: Classification and Measurement of Share-based Payment Transactions (effective for annual periods beginning on or after 1 January 2018)
HKFRS 9 (2014)	Financial Instruments (effective for annual periods beginning on or after 1 January 2018)
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date to be determined)
HKFRS 15	Revenue from Contracts with Customers (effective for annual periods beginning on or after 1 January 2018)
HKFRS 16	Leases (effective for annual periods beginning on or after 1 January 2019)
HK (IFRIC)-Int 22	Foreign Currency Transactions and Advance Consideration (effective for annual periods beginning on or after 1 January 2018)
HK (IFRIC)-Int 23	Uncertainty over Income Tax Treatments (effective for annual periods beginning on or after 1 January 2019)
Annual Improvements Project	Annual Improvements 2014-2016 Cycle (effective for annual periods beginning on or after 1 January 2018)

All these new standards, amendments and interpretations to existing standards are effective in the financial year of 2018 or years after 2018. The Group is in the process of making an assessment of the impact of these new standards, amendments and interpretations in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the condensed consolidated financial statements.

Impact of standards issued but not yet applied by the Group

HKFRS 9 (2014), Financial Instruments

HKFRS 9 will replace the current standard on accounting for financial instruments, HKAS 39, Financial Instruments: Recognition and Measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets, calculation of impairment of financial assets and hedge accounting. On the other hand, HKFRS 9 incorporates without substantive changes the requirements of HKAS 39 for recognition and derecognition of financial instruments and the classification of financial liabilities. The Group has decided not to adopt HKFRS 9 until it becomes mandatory on 1 January 2018.

1. **Basis of preparation and accounting policies (Continued)**

(b) New standards, amendments and interpretations to existing standards that have been issued but are not yet effective (Continued)

Impact of standards issued but not yet applied by the Group (Continued)

HKFRS 9 (2014), Financial Instruments (Continued)

Expected impacts of the new requirements on the Group's financial statements are as follows:

(i) Classification and measurement

Based on preliminary assessment, the Group expects that the adoption of HKFRS 9 will affect Group's classification and measurement of the financial assets, including the convertible promissory note and will have impact on the Group's net assets, loss for the period and loss per share and total comprehensive expense.

(ii) Impairment

This new impairment model may result in an earlier recognition of credit losses on the Group's trade receivables and other financial assets. However, a more detailed analysis is required to determine the extent of the impact.

(iii) Hedging

The Group expects that it will not adopt hedge accounting in near periods and therefore it may not have any impact on the Group upon the adoption of HKFRS 9.

HKFRS 15, Revenue from Contracts with Customers

HKFRS 15 is based on the principle that revenue is recognised when control of a good or service transfers to a customer. The application of HKFRS 15 may result in the identification of separate performance obligations which could affect the timing of the recognition of revenue. The Group is in the process of assessing the impacts of HKFRS 15 on the Group's consolidated financial statements.

HKFRS 15 is effective for annual periods beginning on or after 1 January 2018. The Group has decided not to early adopt HKFRS 15 in its 2017 consolidated financial statements.

HKFRS 16, Leases

HKFRS 16 will affect primarily the accounting for Group's operating leases. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised in the consolidated statement of financial position. The Group is in the process of assessing to what extent the operating lease commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's loss for the period and classification of cash flows.

HKFRS 16 is mandatory for first interim periods within annual reporting periods beginning on or after 1 January 2019. The Group decided not to early adopt HKFRS 16 before its effective date.

2. Segment information

The Group is principally engaged in the retailing and wholesale of premium menswear in Greater China, Singapore and Europe, as well as licensing its fully owned brands globally. The performance of the Group's retail stores is subject to seasonal fluctuations and certain holiday seasons.

Management has determined the operating segments based on reports reviewed by the senior executive management of the Group that are used to make strategic decisions. Management considers the business from both geographic and business lines perspectives. Geographically, management considers the performance of the retail businesses in the Chinese Mainland, Hong Kong & Macau, Taiwan, Europe and others. Management also assesses the performance of the individual business line, namely retail, wholesale and licensing. Management assesses the performance of operating segments based on a measure of segmental earnings before net finance costs and income tax ("Segmental contributions") for the period. Inter-segment revenue are priced with reference to prices charged to external parties for similar orders. During the period, certain amendments and reclassifications (including allocation of certain expenses from individual segment to corporate management overheads) were made to the management reports presented to the senior executive management in order to better reflect the composition and performance of each segment. Prior period comparatives have been restated accordingly.

Segment asset consists only of inventories.

(a) Segment results

The segment results for the six months ended 30 June 2017 are as follows:

	Unaudited									
	Asia						Europe			
	HK & Macau		Chinese Mainland		Taiwan	Others				
	Retail HK$'000	Wholesale HK$'000	Retail HK$'000	Wholesale HK$'000	Retail HK$'000	Retail HK$'000	Retail HK$'000	Wholesale HK$'000	Licensing HK$'000	Total HK$'000
Total segment revenue	245,436	66,572	367,380	66,494	60,280	3,402	60,425	21,551	53,675	945,215
Inter-segment revenue	-	(66,556)	-	-	-	-	-	(904)	(15,335)	(82,795)
Revenue from external customers	245,436	16	367,380	66,494	60,280	3,402	60,425	20,647	38,340	862,420
Gross profit	175,453	11	257,267	38,978	38,488	2,347	33,223	10,232	38,340	594,339
Segmental contributions	8,236	11	20,787	38,977	2,207	(5,479)	(5,053)	(10,035)	35,320	84,971
Segmental contributions includes:										
Depreciation	(8,512)	-	(18,789)	-	(2,024)	(618)	(5,780)	(305)	(3)	(36,031)
Segment asset as at 30 June 2017	150,376	-	218,542	-	57,139	6,138	62,320	-	-	494,515

2. Segment information (Continued)

(a) Segment results (Continued)

The segment results for the six months ended 30 June 2016 are as follows:

	Unaudited									
	Asia						Europe			
	HK & Macau		Chinese Mainland		Taiwan	Others				
	Retail HK$'000	Wholesale HK$'000	Retail HK$'000	Wholesale HK$'000	Retail HK$'000	Retail HK$'000	Retail HK$'000	Wholesale HK$'000	Licensing HK$'000	Total HK$'000
Total segment revenue	258,081	52,689	377,987	54,929	64,807	3,201	67,950	25,098	51,683	956,425
Inter-segment revenue	-	(50,695)	-	-	-	-	-	-	(14,910)	(65,605)
Revenue from external customers	258,081	1,994	377,987	54,929	64,807	3,201	67,950	25,098	36,773	890,820
Gross profit	186,298	685	271,444	19,598	42,225	2,342	39,153	8,282	36,773	606,800
Segmental contributions	19,542	685	15,291	19,511	7,509	(5,769)	(6,011)	(5,669)	32,846	77,935
Segmental contributions includes:										
Depreciation	(9,816)	-	(22,486)	(88)	(1,926)	(724)	(4,070)	(271)	(45)	(39,426)
Share of loss of associates	-	-	-	-	-	(310)	-	-	-	(310)
Segment asset as at 31 December 2016	144,902	-	252,012	-	53,315	6,213	48,498	-	-	504,940

(b) A reconciliation of Segmental contributions to the Group's loss before income tax is as follows:

	Unaudited Six months ended 30 June	
	2017 HK$'000	2016 HK$'000
Segmental contributions for reportable segments	**84,971**	77,935
Add:		
Other income	**7,447**	5,658
Less:		
Net finance costs	**(13,266)**	(7,753)
Employee benefit expenses	**(97,852)**	(111,019)
Rental and other operating expenses	**(16,534)**	(19,145)
Depreciation and amortisation	**(34,154)**	(7,260)
Advertising and promotion expenses	**(53,291)**	(48,481)
Product design, supply chain and related management expenses	**(30,460)**	(32,497)
Restructuring costs	**(60,132)**	(22,780)
Other unallocated expenses	**(44,370)**	(35,874)
Total Group's loss before income tax	**(257,641)**	(201,216)

2. Segment information (Continued)

(c) Geographic information

The following tables set out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, intangible assets, deposits, prepayments and other receivables ("specified non-current assets"). The geographical location of customers is based on the location at which the goods were delivered or the licensing services were provided.

The geographical analysis of revenue from external customers is as follows:

	Unaudited	
	Six months ended 30 June	
	2017	2016
	HK$'000	HK$'000
Hong Kong & Macau	**245,452**	258,195
Chinese Mainland	**435,346**	434,365
Taiwan	**60,280**	64,807
United Kingdom	**63,137**	65,385
Other countries	**58,205**	68,068
Total	**862,420**	890,820

Revenues from the individual countries included in Other countries are not material.

The geographical location of specified non-current assets is as follows:

	Unaudited	Audited
	30 June	31 December
	2017	2016
	HK$'000	HK$'000
Hong Kong & Macau	**727,479**	765,045
Chinese Mainland	**792,685**	799,897
Taiwan	**81,595**	81,924
United Kingdom	**840,289**	838,870
France	**678,226**	666,375
Singapore	**300,925**	296,169
Total	**3,421,199**	3,448,280

3. Operating loss

Operating loss is arrived at after charging/(crediting) the following:

	Unaudited Six months ended 30 June	
	2017	2016
	HK$'000	HK$'000
Write off of inventories and (reversal of)/additional provision for impairment of inventories (note (a))	**426**	7,541
Depreciation of property, plant and equipment	**41,772**	45,511
Amortisation of intangible assets (excluding licences)	**789**	350
Loss on disposal of property, plant and equipment	**6,767**	5,445
Provision for impairment of trade receivables	**5,369**	837
Employee benefit expenses	**306,797**	321,822
Advertising and promotion expenses (note (b))	**61,801**	56,936
Royalty expenses		
- amortisation of licences	**27,624**	825
- contingent royalty expenses	**1,870**	2,042
Product design, supply chain and related management expenses	**30,460**	32,497
Restructuring costs (note (c))	**60,132**	22,780
Fair value (gains)/losses on forward foreign exchange contracts	**(7,636)**	702
Net foreign exchange losses/(gains)	**13,929**	(248)

Notes:

(a) The (reversal of)/additional provision for impairment of inventories arose due to an (increase)/decrease in the estimated net realisable value of inventories after reassessment of the utilisation of available distribution channels and expected sales pattern.

(b) Advertising and promotion expenses included employee benefit expenses of HK$7,151,000 (For the six months ended 30 June 2016: HK$6,881,000) and operating lease rental expenses of HK$1,359,000 (For the six months ended 30 June 2016: HK$1,574,000).

(c) Restructuring costs relating to closure of business wear production line (2016: casual wear production line) at the Hong Kong factory and the associated restructuring of sourcing functions included employee benefit expenses, operating lease and related cost, loss on disposal of property, plant and equipment, contract termination and other costs of HK$26,227,000 (For the six months ended 30 June 2016: HK$11,950,000), HK$6,675,000 (For the six months ended 30 June 2016: HK$6,602,000), HK$6,038,000 (For the six months ended 30 June 2016: HK$4,228,000) and HK$21,192,000 (For the six months ended 30 June 2016: nil).

4. Income tax

Hong Kong profits tax has been provided for at the rate of 16.5% (2016: 16.5%) on the estimated assessable profit for the six months ended 30 June 2017. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries or regions in which the Group operates.

	Unaudited Six months ended 30 June	
	2017	2016
	HK$'000	HK$'000
Current income tax		
- Hong Kong profits tax	**1,352**	906
- Overseas taxation	**13,956**	2,293
- Over provision in prior years	**(289)**	(2,570)
Deferred income tax	**(15,625)**	(1,455)
	(606)	(826)

5. Loss per share

(a) Basic

Basic loss per share is calculated by dividing loss attributable to shareholders of the Company by weighted average number of ordinary shares in issue during the period.

	Unaudited Six months ended 30 June	
	2017	2016
Weighted average number of ordinary shares in issue	**1,746,529,000**	1,746,529,000
Loss attributable to shareholders of the Company (HK$'000)	**(257,035)**	(200,390)
Basic loss per share (HK cents per share)	**(14.7) cents**	(11.5) cents

(b) Diluted

The calculation of the diluted loss per share is based on the loss attributable to shareholders of the Company, and the weighted average number of ordinary shares in issue during the period, as used in the basic loss per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

No adjustment had been made to the basic loss per share for the six months ended 30 June 2017 and 2016 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share.

6. Dividends

The Board of Directors has resolved not to declare any interim dividend for the six months ended 30 June 2017 (2016: nil).

7. Loan receivables

(a) On 21 March 2016, the Group entered into an amended and restated convertible promissory note purchase agreement and a new loan agreement with British Heritage Brands, Inc. ("BHB"). The convertible promissory note (denominated in US dollars) carries interest at 5% per annum maturing on 31 December 2027 with a principal amount of US$15.0 million. Under the amended and restated convertible promissory note purchase agreement, the Group could have an equity interest in BHB up to 75% after exercising the conversion right exercisable from 1 April 2018 to 31 March 2019 or upon the occurrence of certain events under the provisions of the restated convertible promissory note purchase agreement.

The Group has agreed to lend to BHB a new loan up to US$9.0 million from 21 March 2016 to 31 December 2018 according to the new loan agreement. The new loan (denominated in US dollars) carries interest at 5% per annum maturing on 31 December 2018. The Group has contributed US$6.1 million to BHB for the new loan as at 30 June 2017.

On the same day, the Group entered into a put/call agreement with Heritage Global Partners, LLC ("Heritage"), the sole shareholder of BHB, which allow Heritage to put its remaining 25% interest in BHB to the Group at fair value. The put option would be exercisable between 1 April 2019 and 31 March 2024 by Heritage after the Group has become the owner of 75% of the equity interest in BHB. Heritage would grant a call option to the Group to acquire Heritage's interest in BHB at fair value. The call option would be exercisable by the Group at any time from 1 April 2024 onwards after the Group has become the owner of 75% of the equity interest in BHB.

(b) The effective interest rate of the convertible promissory note at the end of the reporting period was 5.45% (31 December 2016: 5.45%).

(c) As at 30 June 2017 and 31 December 2016, the carrying amounts of the Group's loan receivables approximated their fair values.

8. Derivative financial instruments

	Unaudited 30 June 2017 HK$'000	Audited 31 December 2016 HK$'000
Non-current assets		
Conversion right embedded in convertible promissory note	**6,061**	6,022
Current assets		
Forward exchange contracts	**4,330**	**-**
Current liabilities		
Forward exchange contracts	**-**	3,306

The conversion right embedded in convertible promissory note referred to the Group's investment in an unlisted convertible promissory note issued by BHB mentioned in Note 7.

9. Trade receivables

Majority of the Group's revenue are retail sales, wholesale sales and licensing income. Retail sales are made in cash or by credit card. Retail sales through department stores are generally collectible within 30 days to 60 days from the invoice date. Wholesale sales are generally collectible within 30 days to 90 days from the invoice date. Licensing income is generally collectible within 120 days from the invoice date.

At 30 June 2017, the ageing analysis by invoice date of trade receivables of the Group is as follows:

	Unaudited 30 June 2017 HK$'000	Audited 31 December 2016 HK$'000
1 - 30 days	**31,879**	38,431
31 - 60 days	**4,951**	22,589
61 - 90 days	**11,301**	5,512
Over 90 days	**27,451**	16,697
	75,582	83,229
Less: provision for impairment of trade receivables	**(8,213)**	(2,566)
	67,369	80,663

As at 30 June 2017, the fair values of the Group's trade receivables were approximately the same as their carrying amounts.

10. Trade payables

At 30 June 2017, the ageing analysis by invoice date of the Group's trade payables is as follows:

	Unaudited 30 June 2017 HK$'000	Audited 31 December 2016 HK$'000
1 - 30 days	**74,719**	33,204
31 - 60 days	**2,856**	12,090
61 - 90 days	**2,840**	8,015
Over 90 days	**14,608**	9,209
	95,023	62,518

The credit period granted by creditors generally ranges from 30 days to 90 days. The carrying amounts of the Group's trade payables approximated their fair values.

CORPORATE GOVERNANCE

The Board of Directors and management are committed to principles of good corporate governance consistent with prudent management and enhancement of shareholder value. These principles emphasise transparency, accountability and independence.

In order to reinforce independence, accountability and responsibility, the role of the Chairman is separate from that of the Chief Executive Officer. Their respective responsibilities are clearly established and defined by the Board in writing.

The Board has established the Audit Committee, Nomination Committee and Remuneration Committee (all chaired by Independent Non-executive Director) with defined terms of reference, which are consistent with the principles set out in the Corporate Governance Code ("CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"). All the committees comprise a majority of Independent Non-executive Directors.

Corporate governance practices adopted by the Company during the six months ended 30 June 2017 are in line with those practices set out in the Company's 2016 Annual Report and the CG Code.

AUDIT COMMITTEE

The Audit Committee met three times to date in 2017 (with a 100% attendance rate) to consider and review, with senior management, the Company's Corporate Governance Division ("CGD"), and external auditor, the Three-Year Internal Audit Plan (2017-2019), the Group's significant risk management, internal controls, financial matters, as well as policies relating to corporate governance matters as set out in the Audit Committee's written terms of reference and make relevant recommendations to the Board. The CGD, under the supervision of the Group Chief Compliance and Risk Management Officer, is responsible for performing the internal audit according to the audit plan approved by the Audit Committee. The Committee's review covered the audit plans and reports from CGD and external auditor, the external auditor's independence, the Group's accounting principles and practices, internal controls, risk management, financial reporting matters (including the interim financial information for the six months ended 30 June 2017 before recommending them to the Board for approval), listing rules and regulatory compliance, material connected transactions, and the adequacy of resources, qualification and experience of staff of the Group's internal audit and financial reporting function, and their training programmes and budget.

The Audit Committee has reviewed the interim results for the six months ended 30 June 2017.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board recognises the importance of internal controls to safeguard shareholders' interests and investments and the Group's assets, as well as to manage business risks. The Board is responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives. It is also responsible for ensuring that the Group maintains a sound and effective system of risk management and internal controls, and for reviewing its adequacy and effectiveness through the Audit Committee.

The Corporate Compliance Group (comprising CGD and Corporate Secretarial Division), under the supervision of the Group Chief Compliance and Risk Management Officer, in conjunction with our external advisers, reviews the adherence to relevant laws and regulations, Listing Rules compliance, public disclosure requirements and our standards of compliance practices as set out in the Internal Audit Charter.

The CGD independently reviews the risk management and internal controls processes and evaluates their adequacy, effectiveness, and compliance. The Audit Committee reviews and endorses the execution of the CGD Internal Audit Plan that is strategically linked to the Group's Business Plan.

Based on the respective assessments made by the Management and the CGD, the Audit Committee considered that for the six months ended 30 June 2017:

- the risk management, internal controls and accounting systems as well as the internal audit function of the Group are in place and functioning effectively. They are designed to provide reasonable assurance that material assets are protected, business risks attributable to the Group are identified and monitored, material transactions are executed in accordance with management's authorisation and the interim financial information is reliable for publication; and

- there are ongoing processes in place for identifying, evaluating and managing the significant risks faced by the Group.

COMPLIANCE WITH THE MODEL CODE OF THE LISTING RULES

The Group has adopted stringent procedures governing Directors' securities transactions in compliance with the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix 10 of the Listing Rules. Relevant employees who are likely to possess inside information of the Group are also subject to compliance with written guidelines on no less exacting terms than the Model Code. Specific confirmation has been obtained from Directors and relevant employees on compliance with the Model Code for the six months ended 30 June 2017. No incident of non-compliance by Directors and relevant employees during the six months ended 30 June 2017 was noted by the Company.

The Company has adopted the Policy on Inside Information, and handles and disseminates inside information in accordance with the requirements of the Securities and Futures Ordinance and the Listing Rules.

COMPLIANCE WITH THE CG CODE OF THE LISTING RULES

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has been in compliance with the code provisions set out in the CG Code throughout the six months ended 30 June 2017.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2017.

INTERIM DIVIDEND

The Board of Directors has resolved not to declare any interim dividend for the six months ended 30 June 2017 (2016: nil).

PUBLICATION OF THE RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the websites of the Company at *www.trinitygroup.com* and Hong Kong Exchanges and Clearing Limited at *www.hkexnews.hk*. The 2017 Interim Report will be available on the same websites, and despatched to the shareholders of the Company on or about Friday, 15 September 2017.

By Order of the Board
Victor FUNG Kwok King
Chairman

Hong Kong, 23 August 2017

As at the date of this announcement, the Board comprises two executive directors, namely Mr Jeremy Paul Egerton HOBBINS and Mr Srinivasan PARTHASARATHY; six non-executive directors, namely Dr Victor FUNG Kwok King, GBM, GBS, CBE, Dr William FUNG Kwok Lun, SBS, OBE, JP, Ms Sabrina FUNG Wing Yee, Mr Terence FUNG Yue Ming, Mr Jean-Marc LOUBIER and Mr WONG Yat Ming; and four independent non-executive directors, namely Mrs Eva CHENG LI Kam Fun, Mr Cassian CHEUNG Ka Sing, Mr Michael LEE Tze Hau and Mr Patrick SUN.

** For identification purposes only*