CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate small and mid-sized 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.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

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FINANCIAL RESULTS

The board (the "Board") of Directors of Winto Group (Holdings) Limited is pleased to announce the unaudited consolidated financial results of the Company and its subsidiaries (the "Group") for the three months ended 31 March 2018 together with the comparative unaudited figures for the corresponding period in 2017 as follows:

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2018

	Notes	Three months ended 31 March	
		2018 HK$ (Unaudited)	2017 HK$ (Unaudited) (Restated)
Continuing operations			
Revenue	3	**1,922,812**	7,929,132
Cost of sales		**(1,527,110)**	(6,684,940)
Gross profit		**395,702**	1,244,192
Other income		**14,467**	121,159
Operating expenses		**(6,607,866)**	(5,358,477)
Other gains or losses		**129,770**	1,793,957
Finance costs		**(1,077)**	(944,174)
Loss before tax		**(6,069,004)**	(3,143,343)
Income tax expense	4	**–**	(38,605)
Loss for the period from continuing operations		**(6,069,004)**	(3,181,948)
Discontinued operation			
Loss for the period from the discontinued operation	5	**–**	(326,134)
Loss for the period		**(6,069,004)**	(3,508,082)
Other comprehensive expense			
Item that may be reclassified subsequently to profit or loss:			
– exchange difference on translation		**(201,023)**	(48,730)
Total comprehensive expense for the period		**(6,270,027)**	(3,556,812)

	Notes	Three months ended 31 March 2018 HK$ (Unaudited)	2017 HK$ (Unaudited) (Restated)
Loss for the period attributable to:			
Owner of the Company			
– for continuing operations		**(5,405,599)**	(2,731,177)
– for discontinued operation		**–**	(191,213)
Non-controlling interests			
– for continuing operations		**(663,405)**	(450,771)
– for discontinued operation		**–**	(134,921)
		(6,069,004)	(3,508,082)
Total comprehensive expense attributable to:			
Owner of the Company		**(5,508,121)**	(2,978,647)
Non-controlling interests		**(761,906)**	(578,165)
		(6,270,027)	(3,556,812)
From continuing and discontinued operations			
Loss per share			
Basic (HK Cents)	7	**(0.06)**	(0.03)
From continuing operations			
Loss per share			
Basic (HK Cents)	7	**(0.06)**	(0.03)

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2018

	Share capital HK$	Share premium HK$	Exchange reserve HK$	Accumulated losses HK$	Total HK$	Non-controlling interest HK$	Total HK$
At 1 January 2017 (audited)	8,640,000	94,330,810	(1,844)	(26,959,735)	76,009,231	(1,203,324)	74,805,907
Loss for the period	–	–	–	(2,922,390)	(2,922,390)	(585,692)	(3,508,082)
Other comprehensive (expense) income for the period	–	–	(56,257)	–	(56,257)	7,527	(48,730)
Total comprehensive expense for the period	–	–	(56,257)	(2,922,390)	(2,978,647)	(578,165)	(3,556,812)
At 31 March 2017 (unaudited)	8,640,000	94,330,810	(58,101)	(29,882,125)	73,030,584	(1,781,489)	71,249,095
At 1 January 2018 (audited)	8,640,000	94,330,810	(76,455)	(42,088,126)	60,806,229	(2,350,589)	58,455,640
Loss for the period	–	–	–	(5,405,599)	(5,405,599)	(663,405)	(6,069,004)
Other comprehensive expense for the period	–	–	(102,522)	–	(102,522)	(98,501)	(201,023)
Total comprehensive expense for the period	–	–	(102,522)	(5,405,599)	(5,508,121)	(761,906)	(6,270,027)
At 31 March 2018 (unaudited)	8,640,000	94,330,810	(178,977)	(47,493,725)	55,298,108	(3,112,495)	52,185,613

NOTES TO THE UNAUDITED CONSOLIDATED FINANCIAL RESULTS

1. BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands on 7 December 2012, as an exempted company with limited liability under the Companies Law (as Revised) of the Cayman Islands. The Company's shares have been listed on GEM since 16 February 2015 (the "Listing").

The unaudited consolidated financial results of the Group for the three months ended 31 March 2018 are presented in Hong Kong dollars ("HK$"), unless otherwise stated.

The unaudited consolidated financial results of the Group for the three months ended 31 March 2018 have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the GEM Listing Rules. The unaudited consolidated financial results have been prepared under the historical cost convention, as modified by financial assets at fair value through profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES

The preparation of the consolidated financial results in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The unaudited consolidated financial results should be read in conjunction with the Group's audited consolidated financial statements and notes thereto for the year ended 31 December 2017.

Adoption of new/revised HKFRS

The adoption of the new/revised HKFRS that are relevant to the Group and effective from the current period, did not have any significant effect on the results and financial position of the Group for the current and prior accounting periods.

The Group has not early adopted any new/revised HKFRS that have been issued but are not yet effective for the current period. The Directors have already commenced an assessment of the impact of these new and revised HKFRS but are not yet in a position to reasonably estimate whether these new and revised HKFRS would have a significant impact on the Group's results of operations and financial position.

3. REVENUE

An analysis of the Group's revenue for the period from continuing operations is as follows:

	Three months ended 31 March	
	2018	2017
	HK$	HK$
	(Unaudited)	(Unaudited)
		(Restated)
Provision of mobile app development services	**968,174**	2,512,191
Print media advertising income	**907,900**	226,191
Outdoor advertising income	**24,668**	5,149,338
Sales of magazines	**22,070**	41,412
	1,922,812	7,929,132

4. INCOME TAX EXPENSE

	Three months ended 31 March	
	2018	2017
	HK$	HK$
	(Unaudited)	(Unaudited)
		(Restated)
Continuing operations		
Current tax:		
Hong Kong	**–**	(38,605)

Hong Kong profits tax has been provided at the rate of 16.5% (three months ended 31 March 2017: 16.5%) on the estimated assessable profit during the period arising in or derived from Hong Kong.

5. DISCONTINUED OPERATION

During the year ended 31 December 2017, the Group entered into a share purchase agreement with an independent third party pursuant to which the Company disposed of its entire interest in Lasermoon Limited ("Lasermoon") together with the subsidaries of Lasermoon ("Lasermoon Group"). Lasermoon Group carried out all the Group's liquefied natural gas (the "LNG") and related products trading business in PRC and is regarded as a discontinued operation. The comparartive figures in the consolidated statement of profit or loss and other comprehensive income have been restated to represent the LNG and related products trading business as a discontinued operation.

6. DIVIDEND

No dividend has been paid or proposed by the Group for the three months ended 31 March 2018 (three months ended 31 March 2017: nil).

7. LOSS PER SHARE

Continuing operations

The calculation of basic loss per share for continuing operations attributable to the owners of the Company is calculated based on the below figures:

	Three months ended 31 March	
	2018 HK$	2017 HK$
Loss for the period attributable to owner of the Company	5,405,599	2,731,177
Weighted average number of ordinary shares for the purpose of calculation of loss per share	8,640,000,000	8,640,000,000

No diluted loss per share has been presented for the periods ended 31 March 2018 and 2017 because there were no potential ordinary shares outstanding during the periods.

Continuing and discontinued operations

The calculation of the basic loss per share attributable to the owners of the Company is calculated based on the below figures:

	Three months ended 31 March	
	2018 HK$	2017 HK$
Loss for the period attributable to owner of the Company	5,405,599	2,922,390

The denominators used are the same as those set out above for the continuing operations.

Discontinued operation

The calculation of the basic loss per share attributable to the owners of the Company is calculated based on the below figures:

	Three months ended 31 March	
	2018 HK$	2017 HK$
Loss for the period attributable to owner of the Company	–	191,213

The denominators used are the same as those set out above for the continuing operations.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND PROSPECTS

In March 2018, the Group completed the disposal of 100% equity interests in Lucky Channel Limited ("Lucky Channel") at the consideration of HK$12,900,000. The investment property owned by the Group was disposed as a result of the disposal of Lucky Channel.

In March 2018, the Group completed the acquisition of 100% equity interests in to be Concepts Limited ("To Be Concepts"). The consideration was approximately HK$3,000,000. The principal business of To Be Concepts is organizing exhibitions and trade shows for the promotion of products and services. The Directors consider that To Be Concepts can broaden the Group's revenue source and leveraged with the Group's existing business.

The Group will also continue to integrate its business units and regularly review the profile of our business units to enhance the return to shareholders.

FINANCIAL REVIEW

Revenue

Total revenue from continuing operations decreased by approximately 76% from approximately HK$7,929,000 (restated) for the three months ended 31 March 2017 to approximately HK$1,923,000 for the three months ended 31 March 2018. It was mainly attributable to the decrease in the Group's income from outdoor advertising and provision of mobile app development services.

Cost of Sales

The cost of sales from continuing operations decreased by approximately 77% from approximately HK$6,685,000 (restated) for the three months ended 31 March 2017 to approximately HK$1,527,000 for the three months ended 31 March 2018. The decrease in cost of sales from continuing operations aligns with the decrease in revenue from continuing operations.

Gross Profit

Gross profit from continuing operations decreased from approximately HK$1,244,000 (restated) for the three months ended 31 March 2017 to approximately HK$396,000 for the three months ended 31 March 2018. The Group's gross profit from continuing operations was mainly attributable to the gross profit derived from print media advertising income.

Operating Expenses

The operating expenses from continuing operations of the Group increased by approximately 23% from approximately HK$5,358,000 (restated) for the three months ended 31 March 2017 to approximately HK$6,608,000 for the three months ended 31 March 2018. The increase in the operating expenses from continuing operations was primarily attributable to professional fee incurred for the mandatory unconditional offer of approximately HK$700,000.

Loss Attributable to Owners of the Company

During the three months ended 31 March 2018, the Group's loss attributable to owners of the Company for the continuing operations increased from approximately HK$2,731,000 (restated) for the three months ended 31 March 2017 to approximately HK$5,406,000. This was mainly attributable to the increased operating expenses from continuing operations and there was a gain on disposal of associates of approximately HK$2,000,000 for the three months ended 31 March 2017 but not for the current period.

SHARE OPTION SCHEME

The Company has a share option scheme (the "Scheme"), which was approved and adopted by the then sole shareholder of the Company by way of written resolutions passed on 23 January 2015. A total of 148,800,000 shares were granted by the Company under the Scheme on 13 April 2018.

OTHER INFORMATIONS

DIRECTORS AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 31 March 2018, interests and short positions 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 (the "SFO")) held by the Directors and chief executives of the Company which have been notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO), or have been recorded in the register maintained by the Company pursuant to section 352 of the SFO, or otherwise have been notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

INTERESTS IN THE SHARES OF THE COMPANY

Name of Director	Capacity	Interest in Shares	Approximate Percentage of Shareholding Interests	Note
Mr. Tang Yau Sing ("Mr. Tang")	Interests in controlled corporations *(Note)*	4,748,886,000 (L)	54.96%	1

Notes:

1) Mr. Tang is the ultimate beneficial owner of these Shares, of which 360,000,000 shares and 4,388,886,000 shares are directly held by Maxace Holdings Limited ("Maxace") and Noble Gate International Limited ("Noble Gate") respectively. The entire issued share capital of Maxace and Noble Gate are wholly owned by Mr. Tang.

2) As at 31 March 2018, the Company has 8,640,000,000 shares.

Save as disclosed above, as at 31 March 2018, none of the Directors nor chief executives had interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that 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 and short positions which were taken or deemed to have under such provisions of the SFO), or were recorded pursuant to Section 352 of the SFO, or were otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

Abbreviation: "L" stands for long position.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND/OR SHORT POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2018, so far as the Directors are aware, the following persons (other than the Directors or chief executives of the Company) had or were deemed or taken to have the following interests and/or short positions in the shares or the underlying shares of the Company which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO:

INTERESTS IN THE SHARES OF THE COMPANY

Name of Shareholders	Capacity	Interests in Shares	Approximate Percentage of Shareholding Interests	Notes
Shareholder Value Fund	Beneficial owner	2,568,816,000	29.73%	2
CM Asset Management (Hongkong) Company Limited ("CM Asset Management")	Investment manager	2,568,816,000	29.73%	2
Noble Gate	Beneficial owner	4,388,886,000	50.79%	3
GF Securities (Hong Kong) Brokerage Limited	Person having a security interest in shares	7,317,702,000	84.70%	
GF Holdings (Hong Kong) Corporation Limited	Interests in a controlled corporation	7,317,702,000	84.70%	
GF Securities Co., Ltd.	Interests in a controlled corporation	7,317,702,000	84.70%	

Notes:

1) As at 31 March 2018, the Company has 8,640,000,000 shares in issues.

2) CM Asset Management (HK) Company Limited is General Partner (fund manager) of Shareholder Value Fund. Shareholder Value Fund is deemed to be interested in the Shares held by CM Asset Management.

3) Mr. Tang is the ultimate beneficial owner of these Shares, of which 360,000,000 shares and 4,388,886,000 shares are directly held by Maxace Holdings Limited ("Maxace") and Noble Gate respectively. The entire issued share capital of Maxace and Noble Gate are wholly owned by Mr. Tang.

Save as disclosed above, the Directors are not aware of any other persons who had any interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register required to be kept by the Company under section 336 of the SFO, as at 31 March 2018.

DIRECTORS' RIGHT TO ACQUIRE SHARES

At no time during the three months ended 31 March 2018 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or children under 18 years of age, or were any such rights exercised by them, or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

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

During the three months ended 31 March 2018, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DIRECTORS AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS

Mr. Pang Siu Yin, a former independent non-executive Director ("INED(s)") (appointed on 24 July 2015 and resigned on 2 March 2018), is also an independent non-executive director of Affluent Partners. Although the business nature of Affluent Partners is partially similar to that of i-Lend, a money lending business acquired by the Group in March 2017 and disposed of in October 2017, which had never commenced operations, Affluent Partners and i-Lend are of different scale and are operating independently. Therefore, the Board is of the view that the business of Affluent Partners did not compete with the business of the Group.

Mr. Tsang Ho Ka Eugene, a former INED (appointed on 23 January 2015 and resigned on 2 March 2018), is also the managing director of New Horizon Capital (Group) Limited and New Horizon Finance (HK) Limited ("New Horizons"), both of which are principally engaged in the business including private equity investment in Hong Kong, the PRC and overseas, and New Horizon Finance (HK) Limited also engaged in the money lending business in Hong Kong. Although the business nature of the New Horizons is partially similar to that of i-Lend, a newly acquired money lending business which has not commenced operations, New Horizons and i-Lend are of different scale and are operating independently. Therefore, the Board is of the view that the business of the New Horizons did not compete with the business of the Group.

Accordingly, as far as the Directors are aware of, none of the Directors or the controlling shareholders of the Company has any business or interest that competes or may compete with the business of the Group and any other conflicts of interests which any such person has or may have with the Group.

COMPLIANCE ADVISER'S INTERESTS

During the three months ended 31 March 2018, save for disclosed and except for the compliance adviser agreement entered into between the Company and Gram Capital Limited, the compliance adviser to the Company (the "Compliance Adviser"), which was expired on 29 March 2018, neither the Compliance Adviser, its directors, employees nor close associates had any interests in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

PUBLIC FLOAT

As at the date of this report, approximately 19.4% of the entire issued shares of the Company are held by the public. The Stock Exchange granted the Company an extension of the Waiver for one month from 13 May 2018 to 12 June 2018. Details of the Waiver are mentioned in the Annuncement issued by the Company dated 9 March 2018 and 11 May 2018 respectively.

The Directors of the Company will take appropriate actions to restore the required minimum public float.

CHANGES OF DIRECTORS' INFORMATION

Upon specific enquiry by the Company and following confirmations from Directors, save as otherwise set out in this Report, there is no change in the information of the Directors required to be disclosed pursuant to Rule 17.50A(1) of the GEM Listing Rules since the Company's last published annual report. The Directors' updated information is set out below:

Mr. Tsang Zee Ho, Paul was appointed as an executive Director, Chief Executive Officer and authorized representative of Loco Hong Kong Limited (Stock Code: 8162) on 11 May, 2018.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Audit Committee has been established in accordance with the GEM Listing Rules and comprises Mr. Tsang Zee Ho Paul (chairman), Mr. Wen Kai and Mr. Tse Chi Wai, all of them being INEDs.

The Audit Committee has reviewed with the management this quarterly report, including the unaudited consolidated financial results of the Group for the three months ended 31 March 2018, prior to recommending them to the Board for approval.

The consolidated financial results of the Group for the three months ended 31 March 2018 have not been audited by the Company's auditor.

By Order of the Board
Winto Group (Holdings) Limited
Tang Yau Sing
Executive Director

Hong Kong, 15 May 2018

As at the date of this report, the Board comprises Mr. Tang Yau Sing as an executive director; and Mr. Wen Kai, Mr. Tsang Zee Ho Paul and Mr. Tse Chi Wai as independent non-executive directors.