



Jiu Rong Holdings Limited **久融控股有限公司**

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2358)

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INTERIM REPORT
2017

Contents

- 2** Corporate Information
- 3** Condensed Consolidated Statement of Comprehensive Income
- 4** Condensed Consolidated Statement of Financial Position
- 5** Condensed Consolidated Statement of Changes in Equity
- 6** Condensed Consolidated Statement of Cash Flows
- 7** Notes to the Condensed Consolidated Financial Statements
- 15** Management Discussion and Analysis
- 17** Substantial Shareholders' and Other Persons' Interests in Shares and Underlying Shares
- 18** Directors' Interests and Short Positions in Shares, Underlying Shares and Debenture



CORPORATE INFORMATION

DIRECTORS

Executive Directors

Mr. Siu Chi Ming

Ms. Wang Liping

Mr. Yin Jianwen

Independent Non-executive Directors

Mr. Wang Ning

Mr. Wu Yinong

Mr. Yuan Qian Fei

AUDIT COMMITTEE

Mr. Yuan Qian Fei (*Chairman*)

Mr. Wang Ning

Mr. Wu Yinong

NOMINATION COMMITTEE

Mr. Wu Yinong (*Chairman*)

Mr. Wang Ning

Mr. Yuan Qian Fei

REMUNERATION COMMITTEE

Mr. Wang Ning (*Chairman*)

Mr. Yuan Qian Fei

Mr. Wu Yinong

Mr. Siu Chi Ming

REGISTERED OFFICE

Cricket Square, Hutchins Drive

P.O. Box 2681

Grand Cayman, KY1-1111

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Flat 8, 49th Floor

Office Tower, Convention Plaza

1 Harbour Road

Wanchai

Hong Kong

COMPANY SECRETARY

Mr. Siu Chi Ming

AUTHORISED REPRESENTATIVES

(for the purposes of the listing rules)

Mr. Siu Chi Ming

Mr. Yin Jianwen

AUTHORISED REPRESENTATIVES

(to accept service of process and notices under Part XI of the Hong Kong Companies Ordinance)

Mr. Siu Chi Ming

Mr. Yin Jianwen

AUDITOR

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Unit 701, 7/F, Citicorp Centre

18 Whitfield Road

Causeway Bay

Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Royal Bank of Canada Trust Company (Cayman) Limited

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24 Shedden Road, George Town

Grand Cayman KY1-1110

Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited

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Hopewell Centre

183 Queen's Road East

Wanchai

Hong Kong

PRINCIPAL BANKERS

China Everbright Bank Company Limited

30/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

Mizuho Bank Limited

17/F, Two Pacific Place

88 Queensway, Hong Kong

STOCK CODE

The Stock Exchange of Hong Kong Limited: 2358

WEBSITE

<http://www.irasia.com/listco/hk/2358>

The board of directors (the "Directors") (the "Board") of Jiu Rong Holdings Limited (the "Company") are pleased to present unaudited results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2017 (the "Period") together with the comparative figures for the corresponding period of 2016.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2017

	Notes	Unaudited Six months ended 30 June	
		2017 HK\$'000	2016 HK\$'000
Revenue	3	142,694	53,850
Cost of sales		(114,701)	(47,068)
Gross profit		27,993	6,782
Other income and gains	4	2,543	463
Selling and distribution costs		(8,696)	(3,004)
Administrative expenses		(13,572)	(10,024)
Other operating expenses		(2,533)	(38)
Finance costs	5	(1,294)	(71)
Profit/(loss) before income tax	6	4,441	(5,892)
Income tax credit/(expense)	7	(1,168)	197
Profit/(loss) after income tax for the period		3,273	(5,695)
Other comprehensive income for the period			
Exchange differences on translating foreign operations		2,926	(2,032)
Total comprehensive profit/(loss) for the period		6,199	(7,727)
Profit/(loss) attributable to:			
– Owners of the Company		3,273	(5,695)
Total comprehensive profit/(loss) attributable to:			
– Owners of the Company		6,199	(7,727)
		6,199	(7,727)
Profit/(loss) per share	8		
– Basic and diluted		HK0.06 cents	HK(0.15) cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2017

	Notes	Unaudited As at 30 June 2017 HK\$'000	Audited As at 31 December 2016 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	10	278,087	17,638
Intangible assets		1,049	–
Deferred tax assets		1,210	–
Total non-current assets		280,346	17,638
CURRENT ASSETS			
Inventories		11,905	14,016
Trade and notes receivables	11	143,265	81,356
Prepayments, deposits and other receivables		183,849	16,152
Financial assets at fair value through profit or loss		3,497	–
Current tax asset		8	8
Pledged bank deposits		191,100	5,756
Cash and cash equivalents		298,398	117,364
Total current assets		832,022	234,652
CURRENT LIABILITIES			
Trade and notes payables	12	183,762	41,807
Other payables and accruals		354,785	15,985
Bank loans	13	173,650	–
Current tax liability		204	12
Total current liabilities		712,401	57,804
Net current assets		119,621	176,848
Total assets less current liabilities		399,967	194,486
NON-CURRENT LIABILITIES			
Deferred tax liabilities		–	–
		–	–
Net assets		399,967	194,486
EQUITY			
Equity attributable to owners of the Company			
Issued capital	14	547,200	456,000
Reserves	16	(147,233)	(261,514)
Total equity		399,967	194,486

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2017

	Unaudited						
	Attributable to owners of the Company						
	Issued capital	Share premium account*	Con-tributed surplus*	Statutory surplus reserve*	Foreign currency translation reserve*	Accu-mulated losses*	Total equity
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
For the six months ended							
30 June 2017 (unaudited)							
At 1 January 2017	456,000	71,886	4,990	1,048	(12,342)	(327,096)	194,486
Transfer to statutory surplus reserve	-	-	-	3	-	(3)	-
Issue of shares on placement	91,200	108,082	-	-	-	-	199,282
Total comprehensive income for the period	-	-	-	-	2,926	3,273	6,199
At 30 June 2017	547,200	179,968	4,990	1,051	(9,416)	(323,826)	399,967
For the six months ended							
30 June 2016 (unaudited)							
At 1 January 2016	380,000	53,826	4,990	1,048	(7,142)	(291,779)	140,943
Total comprehensive loss for the period	-	-	-	-	(2,032)	(5,695)	(7,727)
At 30 June 2016	380,000	53,826	4,990	1,048	(9,174)	(297,474)	133,216

* These reserve accounts comprise the consolidated reserves in the condensed consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2017

	Unaudited	
	Six months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
Net cash inflow/(outflow) from operating activities	(31,197)	43,761
Net cash outflow from investing activities	(3,351)	(146)
Net cash inflow/(outflow) from financing activities	275,892	(8,888)
Net increase in cash and cash equivalents	241,344	34,727
Cash and cash equivalents at beginning of the period	57,054	22,327
Cash and cash equivalents at end of the period	298,398	57,054

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017

1. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements For the six months ended 30 June 2017 (the “Interim Financial Statements”) have 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”) and the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Interim Financial Statements do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2016, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”).

These Interim Financial Statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

This Interim Financial Statements have not been audited by the auditors of the Company, but have been reviewed and approved by the Audit Committee of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the Interim Financial Statements are consistent with those set out in the consolidated financial statements of the Group for the year ended 31 December 2016, the New HKFRSs which have become effective in this Period have no material impact on the accounting policies in the Group’s condensed consolidated interim financial statements for the Period.

The Group has not applied the new HKFRSs that have been issued but are not effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017

3. SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

Reportable segments

The Group has three reportable segments during the Period (30 June 2016: one segment). The following summary describes the operations in the Group's reportable segments:

(i) *Digital Video Business*

The Group through its wholly owned subsidiary, Soyea Jiu Rong Technology Co., Ltd. ("Soyea Jiu Rong") to carry out the research and development, manufacturing and sales of digital television ("TV"), high definition liquid crystal display TV and set-top box as well as provision of application of solutions regarding integration of tele-communication, TV and internet in the digital audio visual industry.

(ii) *New Energy Vehicles Business*

The Group through its wholly owned subsidiary, Jiu Rong New Energy Science and Technology Limited ("Jiu Rong New Energy") to carry out the construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems.

(iii) *Cloud Data Business*

The Group through its wholly owned subsidiary, Hangzhou Yunqi Cloud Data Limited ("Yunqi Cloud Data") to carry out the application and management of cloud data business.

The revenue and gain generated by each of the Group's operating segments and segment assets are summarised as follows:

Six months ended 30 June 2017	Digital Video Business (Unaudited) HK\$'000	New Energy Vehicles Business (Unaudited) HK\$'000	Cloud Data Business (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
Reporting segment revenue from external customers	104,535	37,571	588	142,694
Reporting segment profit before income tax	1,517	3,617	266	5,400
Reporting segment assets	182,039	363,521	54,319	599,879

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017

3. SEGMENT INFORMATION (CONTINUED)

Six months ended 30 June 2016	Digital Video Business (Unaudited) HK\$'000	Total (Unaudited) HK\$'000
Reporting segment revenue from external customers	53,203	53,203
Reporting segment loss	(3,785)	(3,785)
Reporting segment assets	159,259	159,259

The Group's segment profit/(loss) reconciles to the Group's loss before income tax as presented in its Interim Financial Statements as follows:

	Unaudited Six months ended 30 June	
	2017 HK\$'000	2016 HK\$'000
Profit/(loss)		
Total reporting segment profit/(loss) before income tax	5,400	(3,785)
Unallocated corporate expenses	(959)	(2,105)
Unallocated finance costs	–	(2)
Consolidated profit/(loss) before income tax	4,441	(5,892)

4. OTHER INCOME AND GAINS

An analysis of the Group's other income and gains is as follows:

	Unaudited Six months ended 30 June	
	2017 HK\$'000	2016 HK\$'000
Bank interest income	960	136
Others	1,583	327
	2,543	463

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017

5. FINANCE COSTS

	Unaudited	
	Six months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
Interest on loans wholly repayable within five years		
– Bank loans	1,225	71
– Other loans	69	–
	1,294	71

6. PROFIT/(LOSS) BEFORE INCOME TAX

Profit/(loss) before income tax is arrived at after charging:

	Unaudited	
	Six months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	7,395	308
Employee benefit expenses (including directors' remuneration):		
Wages and salaries	9,790	9,066
Pension scheme contributions	18	16
	17,203	9,390
Foreign exchange profit/(loss), net	(1,494)	184

7. INCOME TAX CREDIT/(EXPENSE)

No provision of Hong Kong Profit Tax has been provided in the Interim Financial Statements as the Group incurred losses for the Period in Hong Kong.

The rate of corporate income tax of the People's Republic of China ("PRC") is calculated at a standard rate of 25% (30 June 2016: 25%) on the estimated assessable profits arising from its operation in the PRC.

The amount of income tax expenses includes in profit or loss represents:

	Unaudited	
	Six months ended 30 June	
	2017	2016
	HK\$'000	HK\$'000
Current tax for the Period – PRC	1,168	–
Deferred tax	–	(197)
	1,168	(197)

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017

8. PROFIT/(LOSS) PER SHARE

The calculation of basic profit/(loss) per share for the Period is based on the profit for the Period attributable to owners of the Company of HK\$3,273,000 (30 June 2016: loss of HK\$5,695,000) and the weighted average number of approximately 5,094,000,000 (30 June 2016: 3,800,000,000) ordinary shares in issue during the Period.

The diluted profit/(loss) per share for both the six months ended 30 June 2017 and 2016 are the same as the respective basic loss per share as the impact of potential ordinary shares have an anti-dilutive effect on the basic profit/(loss) per share for these periods.

9. DIVIDEND

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2017 (30 June 2016: HK\$Nil).

10. PROPERTY, PLANT AND EQUIPMENT

During the Period, approximately HK\$267,689,000 (30 June 2016: approximately HK\$6,000) was spent on of plant and equipment which was mainly spent on the establishment of electric vehicles charging facilities. There was no disposal of property, plant and equipment during the Period (30 June 2016: disposal of approximately HK\$2,000).

11. TRADE AND NOTES RECEIVABLES

	Unaudited As at 30 June 2017 HK\$'000	Audited As at 31 December 2016 HK\$'000
Trade receivables	143,265	80,677
Note receivables	–	679
	143,265	81,356

The Group's trading terms with its customers are mainly on credit, except for the new customers, where payment in advance is normally required. The credit period generally ranges from 15 to 185 days (2016: 15 to 185 days). Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables (net of impairment loss) as of the end of reporting period, based on the invoice dates, is as follows:

	Unaudited As at 30 June 2017 HK\$'000	Audited As at 31 December 2016 HK\$'000
Within 180 days	113,631	54,260
181 days to 1 year	15,883	15,025
Over 1 year	13,751	11,392
	143,265	80,677

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017

12. TRADE AND NOTES PAYABLES

	Unaudited As at 30 June 2017 HK\$'000	Audited As at 31 December 2016 HK\$'000
Trade payables	159,697	25,015
Notes payables	24,065	16,792
	183,762	41,807

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

	Unaudited As at 30 June 2017 HK\$'000	Audited As at 31 December 2016 HK\$'000
Within 180 days	154,516	21,639
181 days to 1 year	1,515	1,233
1 to 2 years	3,666	1,954
Over 2 years	–	189
	159,697	25,015

13. BANK LOANS

	Unaudited As at 30 June 2017 HK\$'000	Audited As at 31 December 2016 HK\$'000
Bank loans		
– On demand or within one year	173,650	–

Bank loans bear interest at variable rates by reference to the People's Bank of China's lending rate, ranging from 3.92% to 4.79% per annum (31 December 2016: Nil).

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017

14. SHARE CAPITAL

	Unaudited As at 30 June 2017 HK\$'000	Audited As at 31 December 2016 HK\$'000
Authorised:		
10,000,000,000 ordinary shares of HK\$0.1 each	1,000,000	1,000,000
Issued and fully paid:		
4,560,000,000 ordinary shares of HK\$0.1 each	–	456,000
5,472,000,000 ordinary shares of HK\$0.1 each	547,200	–

Share options

Details of the Company's share option schemes and the share options issued under the schemes are included in note 15 to the Interim Financial Statements.

15. SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at an annual general meeting of the Company held on 29 May 2014, the Company approved and adopted a share option scheme (the "Scheme").

The purpose of the Scheme is to provide incentives and/or rewards to any director, consultant, advisor person including full-time or part-time employee of the Company and its subsidiaries, at the sole discretion of the board, for their contribution to, and their continuing efforts to promote the interests of the Company. The schemes became effective on 30 May 2014 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date.

The Scheme

The maximum number of unexercised share options currently permitted to be granted under the Scheme is an amount equivalent, upon their exercise, to 10% of the shares of the Company in issue at any time. The maximum number of shares issuable under share options to each eligible participant in the Scheme within any 12-month period, is limited to 1% of the shares of the Company in issue at any time. Any further grant of share options in excess of this limit is subject to shareholders' approval in a general meeting.

Share options granted to a director, chief executive or substantial shareholder of the Company, are subject to approval in advance by the independent non-executive directors. In addition, any share options granted to a substantial shareholder or an independent non-executive director of the Company, in excess of 0.1% of the shares of the Company in issue at any time or with an aggregate value (based on the price of the Company's shares at the date of the grant) in excess of HK\$5 million, within any 12-month period, are subject to shareholders' approval in a general meeting.

The offer of a grant of share options may be accepted within 21 days from the date of the offer. The exercise period of the share options granted is determinable by the directors, and commences after a certain vesting period and ends on a date which is not later than five years from the date of the offer of the share options or the expiry date of the Scheme, whichever is earlier.

The exercise price of the share options is determinable by the directors, but may not be less than the higher of (i) the Stock Exchange closing price of the Company's shares on the date of the offer of the share options; and (ii) the average Stock Exchange closing price of the Company's shares for the five trading days immediately preceding the date of the offer.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

During the Period, at 30 June 2017 and up to the date of approval of these Interim Financial Statements, no share options have been granted under the Scheme.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2017

16. RESERVES

The Group's contributed surplus represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the group reorganisation, over the nominal value of the Company's shares issued in exchange therefore.

In accordance with the relevant regulation in the PRC, the subsidiaries operating in the PRC are required to transfer 10% of their profits after tax, as determined under the accounting regulations in the PRC, to the statutory surplus reserve, until the balance of the fund reaches 50% of their respective registered capital. The statutory surplus reserve and the expansion reserve are non-distributable, and are subject to certain restrictions set out in the relevant regulations in PRC. These reserves can be used either to offset against accumulated losses or be capitalized as paid-up capital. However, such balance of the statutory surplus reserve must be maintained at a minimum of 25% of paid-up capital after the above mentioned usages.

17. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

The Group does not have any contingent liability or capital commitment in the Period under review (31 December 2016: HK\$Nil).

18. RELATED PARTY TRANSACTIONS

Other than disclosed elsewhere in the Interim Financial Statements, the Group had the following material transactions with related parties during the six months ended 30 June 2017:

- (a) During the Period, total compensation paid to the Directors of the Company was approximately HK\$820,000 (30 June 2016: approximately HK\$900,000).

The Group has not made any impairment in respect of related party receivable nor has any guarantee been given or received during the current or prior period regarding related party transactions.

19. APPROVAL OF INTERIM FINANCIAL STATEMENTS

This Interim Financial Statements were approved and authorised for issue by the Board of Directors on 28 July 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Overall Financial Results

During the Period, the Group achieved approximately HK\$142,694,000 in turnover, representing a significant increase of approximately 165% from that of approximately HK\$53,850,000 during the same period of last year. Gross profit was approximately HK\$27,993,000 comparing to the gross profit of approximately HK\$6,782,000 during the corresponding period of last year. The overall gross profit ratio increased from approximately 12.59% to approximately 19.62%. Profit for the Period attributable to owners of the Company was approximately HK\$3,273,000 (for the corresponding period of last year: loss of approximately HK\$5,695,000). Basic profit per share was approximately HK0.06 cents (for the corresponding period of last year: loss of approximately HK0.15 cents). As at 30 June 2017, the balance of cash and cash equivalents was approximately HK\$298,398,000 (31 December 2016: approximately HK\$117,364,000).

Turnover

For the Period under review, the Group recorded a turnover of approximately HK\$142,694,000 which is contributed by Digital Video Business, New Energy Vehicles Business and Cloud Data Business.

During the Period, the Group's business has three segments (30 June 2016: one segment). Details of the segment information are set out in note 3 of the Interim Financial Statements.

Gross Profit Margin

During the Period under review, the gross margin increased from 12.59% to 19.62%.

Financial Position and Liquidity

	30 June 2017	31 December 2016
Current ratio	1.17	4.06
Quick ratio	1.15	3.82
Gearing ratio*	68.60%	N/A

* Gearing ratio = Net debt divided by the capital plus net debt

The cash and cash equivalents was approximately HK\$298,398,000 (31 December 2016: approximately HK\$117,364,000). The current ratio and quick ratio were approximately 1.17 and 1.15 (31 December 2016: approximately 4.06 and 3.82) respectively. The gearing ratio was approximately 68.60% on 30 June 2017 (31 December 2016: N/A).

Capital Structure and Foreign Exchange Risk

During the period under review, the Company completed the placing of shares, on best effort basis, for a maximum of 912,000,000 shares at a price of HK\$0.22 per Share under the new general mandate granted to the Directors at the annual general meeting held on 26 August 2016. The placing was completed on 17 March 2017 whereby a total of 912,000,000 placing shares have been successfully placed. The Group generally finances its operations and investing activities principally with internal resources.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group's monetary assets, loans and transactions are principally denominated in Renminbi ("RMB") and HK\$ (30 June 2016: RMB, HK\$). The Group is exposed to foreign exchange risk arising from the exposure of US\$ against RMB and HK\$. Considering that the HK\$ is pegged to the US\$, the Group believes its exposure to exchange risk will be confined to RMB against US\$. During the Period, the Group does not intend to hedge its exposure to foreign exchange fluctuations, but will constantly monitor the economic situation and its foreign exchange risk position, and will consider appropriate hedging measures in future as may be necessary and feasible.

Employees Benefit and Expenses

As at 30 June 2017, the total number of employees of the Group was 280 (31 December 2016: 161). The total amount of employee wages and salaries incurred during the Period was approximately HK\$9,790,000 (30 June 2016: approximately HK\$9,066,000). The Group determines employees' remuneration by the work responsibilities, job performance and professional experience. The Group also provides employees on-job training from time to time to upgrade the knowledge, skills and overall caliber of its employees.

INTERIM DIVIDENDS

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2017 (30 June 2016: HK\$Nil).

BUSINESS REVIEW AND OUTLOOK

The Group is principally engaged in (1) manufacturing and sales of digital television ("TV"), high definition liquid crystal display TV and set-top box as well as provision of application of solutions regarding integration of telecommunication TV and internet in the digital video industry ("Digital Video Business"); (2) the construction, application and management of new energy vehicles and related products, charging facilities and intelligent management systems ("New Energy Vehicles Business"); and (3) the application and management of cloud data business ("Cloud Data Business").

The Digital Video Business is still facing a lot of challenges, the Group recorded approximately HK\$104,535,000 in turnover for the six months ended 30 June 2017, representing an increase of 96.48% as compared with last year's corresponding period and the Digital Video Business has recorded segment profit of approximately HK\$1,517,000 (loss of approximately HK\$3,785,000 for the six months ended 30 June 2016.)

During the period ended 30 June 2017, the Group recorded turnover of approximately HK\$37,571,000 (period ended 30 June 2016: HK\$Nil) and segment profit before income tax of approximately HK\$3,617,000 (period ended 30 June 2016: HK\$Nil) from the New Energy Vehicles Business. As at the date of this announcement, the Group has already established 10 electric vehicles charging facilities stations in Hangzhou with a total of approximately 1,300 electric vehicles charging piles in operation, and intelligent parking of approximately 10,000 m² with new energy vehicles charging facilities and intelligent management system in Shangcheng District, Hangzhou. The Group will continue to invest in the New Energy Vehicles Business with the aim to be one of the largest new energy vehicles charging facilities operator in the PRC.

As disclosed in the announcement of the Company of 29 June 2017, the Group has commenced the Cloud Data Business, during the period ended 30 June 2017, the Group recorded turnover of approximately HK\$588,000 (period ended 30 June 2016: HK\$Nil) and segment profit before income tax of approximately HK\$266,000 (period ended 30 June 2016: HK\$Nil) from the Cloud Data Business. The management believes that the co-operation with the local authorities of West Lake District and Yunqi Cloud Town as well as famous cloud computing enterprises such as Aliyun (阿里云) and West Lake Electric (西湖电子) to establish big data industrial park is with substantial growth potential.

The Directors will continue to (1) closely evaluate the performance of the above mentioned businesses; (2) actively explore new businesses or investments; and (3) consider fund raising opportunities which can strengthen the financial position of the Group in order to enhance the value of the Group which will be in the interests of the Company and shareholders as a whole.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SHARES AND UNDERLYING SHARES

As at 30 June 2017, so far as the Directors are aware, the following persons have interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO"), or who is, directly or indirectly interested in 5% or more in the issued share capital of the Company, as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO:

Name of substantial shareholder	Type of interests	Number of Shares	Percentage of interests
Alpha Century Assets Limited (Note 1)	Beneficial owner	600,000,000(L)	10.96%
Ms. Wong Sin Fung (Note 1)	Interest of controlled corporation	600,000,000(L)	10.96%
SOYEA Technology Co., Limited	Beneficial owner	320,616,000(L)	5.86%

Notes:

1. The interest in 600,000,000 shares is deemed corporate interest through Alpha Century Assets Limited.
2. The letter "L" denotes a long position and "S" denotes a short position.

Save as disclosed above, so far as the Directors are aware, no person was interested in or had a short position in the shares, underlying shares or debentures of the Company which would fall to be disclosed to the Company under Division 2 and 3 of Part XV of SFO as at 30 June 2017.

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURE

As at 30 June 2017, none of the Directors and Chief Executive had registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to Division 7 and 8 of Part XV of the SFO, as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Purchase, Redemption or Sale of Listed Securities of the Company

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

Directors' Compliance with Model Code

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the required standards of the Model Code throughout the six months ended 30 June 2017.

Compliance on Corporate Governance Practices

For the Period, the Company complied with all the code provisions in the Corporate Governance Code. The Board will review the current structure from time to time. When at the appropriate time and if candidate with suitable leadership, knowledge, skills and experience can be identified within or outside the Group, the Company may make necessary arrangements.

Audit Committee

The Audit Committee has reviewed with the management of the Company the accounting principals and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the Interim Financial Statements for the six months ended 30 June 2017 with the Directors.

Publication of Interim Results Announcement and Interim Report

The interim results announcement and interim report of the Group for the six months ended 30 June 2017 are available for viewing on the website of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") at www.hkex.com.hk and on the website of the Company at www.irasia.com/listco/hk/2358.

Board of Directors

As at the date of this report, the Executive Directors are Mr. Siu Chi Ming, Mr. Yin Jianwen and Ms. Wang Liping, the Independent Non-executive Directors are Mr. Wang Ning, Mr. Yuan Qian Fei and Mr. Wu Yinong.

On Behalf of the Board
Jiu Rong Holdings Limited
Siu Chi Ming
Executive Director

Hong Kong, 28 July 2017