

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



DT CAPITAL LIMITED
鼎立資本有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 356)

ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2016

INTERIM REPORT AND CONDENSED CONSOLIDATED ACCOUNTS

The Board of Directors (the “Board”) of DT Capital Limited (the “Company”) hereby presents the interim report and unaudited condensed consolidated accounts of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2016. The interim report had been reviewed by the audit committee of the Company and approved by the Board.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2016

	<i>Note</i>	Six months ended 30 June 2016 (Unaudited) HK\$	Six months ended 30 June 2015 (Unaudited) HK\$
Turnover	3	9,317,823	5,019,971
Costs of listed securities disposed		(9,012,767)	(4,930,192)
Other revenues	4	5,043,949	1,941,408
Unrealised gain on listed securities		1,435,921	4,780,612
Investment management fee		(1,135,002)	(1,148,586)
Operating expenses		(2,649,483)	(3,216,601)
Share of results of an associate		(69,339)	—
Profit before taxation	6	2,931,102	2,446,612
Taxation	7	—	—
Profit for the period attributable to equity holder of the Company		2,931,102	2,446,612
Other comprehensive income for the period		—	—
Total comprehensive profit for the period attributable to equity holders of the Company		<u>2,931,102</u>	<u>2,446,612</u>
Profit per share	8	<u>0.15 cents</u>	<u>0.13 cents</u>
Interim dividend		<u>Nil</u>	<u>Nil</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	30 June	31 December
	2016	2015
	(Unaudited)	(Audited)
<i>Note</i>	HK\$	HK\$
Non-current assets		
Property, plant and equipment	205,455	358,132
Interest in associate	10,643,910	10,477,978
Available-for-sale financial assets	39,400,693	36,431,450
	50,250,058	47,267,560
Current assets		
Available-for-sale financial assets	33,000,000	—
Financial assets at fair value through profit or loss	44,887,196	29,335,528
Prepayments, deposits and other receivables	3,697,663	6,675,143
Bank balances and cash	23,232,181	69,291,017
	104,817,040	105,301,688
Current liabilities		
Other payables and accruals	778,440	1,211,692
	778,440	1,211,692
Net current assets	104,038,600	104,089,996
Net assets	154,288,658	151,357,556
Capital and reserves		
Share capital	18,995,000	18,995,000
Reserves	135,293,658	132,362,556
Shareholders' funds	154,288,658	151,357,556

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2016

1. Basis of Preparation

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

2. Principal Accounting Policies

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis, except for financial assets at fair value through profit or loss, which are measured at fair values, as appropriate.

The accounting policies and methods of computation used in the unaudited condensed consolidated financial statements for the six months ended 30 June, 2016 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2015.

The HKICPA has issued a number of new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) and interpretations that are first effective or available for early adoption for the current accounting period of the Company. The adoption of these new and revised HKFRSs has no material effect on the Interim Financial Statements, and there have otherwise been no significant changes to the accounting policies applied in these financial statements.

3. Turnover

	Six Months ended 30 June 2016 (Unaudited) HK\$	Six Months ended 30 June 2015 (Unaudited) HK\$
Proceeds from sale of financial assets at fair value through profit or loss-listed equity securities	9,304,659	5,019,971
Dividend income from listed equity securities	13,164	—
	<u>9,317,823</u>	<u>5,019,971</u>

The principal activities of the Group are investments in securities listed on the Stock Exchange and unlisted securities with a potential growth and capital appreciation.

No analysis of the Group’s turnover and contribution to operating profit for the current and prior period set out by principal activities and geographical markets is provided. It is because the Group has only one single business segment, investment holding, and all the consolidated turnover and the consolidated results of the Group are attributable to performance of the markets in Hong Kong.

4. Other Revenue

	Six months ended 30 June 2016 (Unaudited) HK\$	Six months ended 30 June 2015 (Unaudited) HK\$
Other Revenue		
Interest income	4,739,449	1,941,408
Sundry Income	<u>304,500</u>	<u>—</u>
	<u>5,043,949</u>	<u>1,941,408</u>

5. Finance Costs

There were no interest expenses for the six months ended 30 June 2015 and 30 June 2016.

6. Profit Before Taxation

	Six months ended 30 June 2016 (Unaudited) HK\$	Six months ended 30 June 2015 (Unaudited) HK\$
Profit before taxation is stated after charging the following:		
Depreciation	36,759	46,402
Rental charges under operating leases in respect of rented premises	197,943	551,631
Staff costs, including directors' emoluments	<u>1,239,584</u>	<u>1,159,610</u>

7. Taxation

No provision for Hong Kong profits tax has been made as the tax losses brought forward from prior years exceeded the estimated assessable profits of the Group for the period ended 30 June 2015 and 30 June 2016.

8. Profit Per Share

The calculation of the profit per share for the six months ended 30 June 2016 is based on the Group's profit attributable to the equity holders of HK\$2,931,102 and the weighted average number of 1,899,500,000 ordinary shares in issue during the period. Profit per share for the six months ended 30 June 2015 is based on the Group's profit attributable to equity holders of HK\$2,446,612 and the weighted average number of 1,899,500,000 ordinary shares in issue during the prior period.

No diluted earnings per share is presented since the Group did not issue any dilutive potential ordinary shares during both periods presented.

REVIEW OF REPORT

For the six months ended 30 June 2016, the Group recorded a net profit attributable to shareholders of approximately HK\$2,931,102 (2015: HK\$2,446,612) and profit per share of HK\$0.15 cents (2015: HK\$0.13 cents).

INTERIM DIVIDEND

The Board of Directors has resolved not to pay any interim dividend for the period ended 30 June 2016 (2015: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Compared with the corresponding period of the last year, the increase in the net profit was mainly caused by an increase in the interest income of approximately HK\$2.8 million and the turnover was mainly caused by an increase in the disposal of listed equity of approximately HK\$4.3 million in 2016.

Being adopted the advice from Hua Yu Investment Management Limited (“Hua Yu”), the Company’s Investment Manager, the Group has successfully completed 4 investment plans. These included corporate bonds, long term equity investments and exchangeable notes.

Prospects

The Group expects that the impact of the United Kingdom (“U.K.”) exiting the European Union (“Brexit”) will continue to be felt in the global markets in the many months to come. Discussion and agreement on the terms of the Brexit are likely to take at least two years, during which U.K. equities and the pound sterling are likely to experience a significant degree of volatility. At the same time, there are concerns that banks could come under strain from a rise in bad debts if the housing market slows markedly or unemployment rises, making it difficult for customers to maintain their loan repayments. Banks also face the prospect of losses on their loans to commercial property developers due to a potential drop in commercial property prices. However, we believe that in due time, these fluctuations will steady and prices will readjust. We will continue to seek out investment opportunities with long-term prospects in both Hong Kong and Asia to enrich our investment portfolio. As always, we will maintain our pragmatic approach to maximize returns to shareholders while minimizing losses.

FINANCIAL REVIEW

Financial Resources and Liquidity

The Group maintained a strong cash position and held short-term bank deposit, bank balance and cash amounting to HK\$23.23 million as at 30 June 2016 (31 December 2015: HK\$69.29 million).

The Group's total borrowings comprising other payables and accruals, amounted to HK\$0.78 million as at 30 June 2016 (31 December 2015: HK\$1.21 million).

As at 30 June 2016, the Group's gearing ratio was approximately 0.5% (31 December 2015: 0.8%).

The Group had net financial asset investments and interest in associate approximately in total of HK\$127.93 million as at 30 June 2016 (31 December 2015: HK\$76.24 million).

Capital structure

There has been no change to the capital structure of the Company since 1 January 2016.

OTHER INFORMATION

Employment and Remuneration Policies

As at 30 June 2016, the Group employed a total of 5 employees (2015: 5) including the executive directors of the Company. The remuneration packages consist of basic salary, mandatory provident fund, medical insurance, and other benefits considered as appropriate. Remuneration packages are generally structured by reference to market terms, individual qualification and performance. They are under periodic review based on individual merit and other market factors.

Staff Cost

The Group's total staff costs for the period under review amounted to HK\$1,239,584 (2015: HK\$1,159,610).

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group's assets and liabilities are majority denominated in Hong Kong dollars. Exposure to foreign currency exchange rates arises out of the Group's oversea investment, Thai baht. The Group at present does not have any contracts to hedge against its foreign exchange risks.

Purchase, Sale or Redemption of Securities

During the period under review, the Company has not redeemed any of its securities and neither the Company nor any of its subsidiaries has purchased or sold any of the Company's securities.

Corporate Governance

The Board has established procedures on corporate governance that comply with the requirements of the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Listing Rules. The Board has reviewed and taken measures to adopt the CG Code as the Company’s code of corporate governance practices. During the six months ended 30 June 2016, the Company has complied with the code provisions under the CG Code.

Audit Committee

The Company has established an audit committee in accordance with Rule 3.21 of the Listing Rules, for the purpose of reviewing and providing supervision over the Group’s financial reporting process and internal controls. The audit committee of the Company has reviewed the interim report for the period ended 30 June 2016.

Model Code for Securities Transactions by Directors

The Company has complied with the code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in the Model Code. Having made specific enquiry of all Directors, they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transaction by the Directors adopted by the Company.

Publication of Interim Report

This interim report is published on HKExnews website at www.hkexnews.hk and on the website of the Company at www.hklistedco.com/356.asp.

By order of the Board
Chan Pui Kwan
Chairman

Hong Kong, 29 August 2016

As at the date of this announcement, the Board comprises Mr. Leung King Yue, Alex, Mr. Leong Chi Wai and Mr. Lewis Chan as Executive Directors; Ms. Chan Pui Kwan and Mr. Ma Chun Fai as Non-executive Directors; Mr. Kwok Ming Fai, Allan, Mr. Lo Chi Ming, Erik and Mr. Jochum Siebren Haakma as Independent Non-executive Directors.