

GreaterChina Professional Services Limited

漢華專業服務有限公司

Stock Code: 8193

(Incorporated in the Cayman Islands with limited liability)



THIRD QUARTERLY REPORT
2017

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

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

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

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This report, for which the directors of GreaterChina Professional Services Limited (the “Company” and the “Directors”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (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.

This report, in both English and Chinese versions, is available on the Company’s website at www.gca.com.hk.

The board of Directors (the "Board") presents the unaudited condensed consolidated results of the Company and its subsidiaries (together, the "Group") for the three months and nine months ended 31 December 2017, together with the unaudited comparative figures for the corresponding periods in 2016, as follows.

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

For the three months and nine months ended 31 December 2017

	Notes	Three months ended 31 December		Nine months ended 31 December	
		2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited
Revenue	3	11,662	21,216	44,622	45,124
Cost of sales		(5,030)	(6,091)	(15,032)	(17,124)
Gross profit		6,632	15,125	29,590	28,000
Other income	3	611	2,673	4,777	4,348
Fair value change on financial assets at fair value through profit or loss		4,604	(35,327)	(45,740)	(63,095)
Gain/(Loss) on disposal of financial assets at fair value through profit or loss		40	(33)	(58,808)	(33)
Marketing, administrative and other operating expenses		(19,679)	(10,816)	(41,202)	(31,887)
Reversal of impairment loss on loan receivables		–	400	–	700
Reversal of impairment loss on amount due from a related party		–	–	5,500	–
Loss on disposal of an associate		–	–	(10,968)	–
Loss on early redemption of promissory notes		(1,703)	–	(1,703)	–
Finance costs	4	(4,550)	(1,402)	(6,352)	(4,125)
Share of results of associates		–	(283)	1,368	(1,438)
Loss before tax	5	(14,045)	(29,663)	(123,538)	(67,530)
Income tax credit/(expense)	6	1,432	2,855	(139)	6,697
Loss for the period		(12,613)	(26,808)	(123,677)	(60,833)

	Three months ended 31 December		Nine months ended 31 December	
	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited
Other comprehensive income/(expense) for the period, net of tax				
<i>Item that may be subsequently reclassified to profit or loss:</i>				
Exchange differences arising on translating foreign operations	3	(766)	893	(1,238)
Total comprehensive expense for the period	(12,610)	(27,574)	(122,784)	(62,071)

	Note	Three months ended 31 December		Nine months ended 31 December	
		2017	2016	2017	2016
		HK\$'000 Unaudited	HK\$'000 Unaudited	HK\$'000 Unaudited	HK\$'000 Unaudited
(Loss)/profit for the period attributable to:					
Owners of the Company		(12,446)	(28,214)	(123,820)	(62,308)
Non-controlling interests		(167)	1,406	143	1,475
		(12,613)	(26,808)	(123,677)	(60,833)
Total comprehensive (expense)/income for the period attributable to:					
Owners of the Company		(12,443)	(28,825)	(122,716)	(63,296)
Non-controlling interests		(167)	1,251	(68)	1,225
		(12,610)	(27,574)	(122,784)	(62,071)
		HK cent	HK cent	HK cents	HK cents
Loss per share					
Basic and diluted	8	(0.25)	(0.58)	(2.53)	(1.28)

Notes:

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 3 December 2010. The ordinary shares of the Company of HK\$0.01 each (the "Shares") are listed on the GEM. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the address of its principal place of business is Room 2703, 27th Floor, Shui On Centre, 6-8 Harbour Road, Wan Chai, Hong Kong. The Company is an investment holding company.

2. BASIS OF PREPARATION

The Group's unaudited condensed consolidated results for the three months and nine months ended 31 December 2017 have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations (hereinafter collectively referred to as the "HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong and the applicable disclosures required by the GEM Listing Rules and the Hong Kong Companies Ordinance.

The accounting policies and methods of computation used in preparing the unaudited condensed consolidated results for the three months and nine months ended 31 December 2017 are the same as those followed in the preparation of the Group's audited consolidated financial statements for the year ended 31 March 2017, except for the new and revised HKFRSs issued by the HKICPA that are adopted for the first time for the current accounting period of the Group. The adoption of these new and revised HKFRSs has had no material effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated results. The Group has not early adopted any new HKFRSs that have been issued but are not yet effective.

3. REVENUE AND OTHER INCOME

The Group's revenue and other income are as follows:

	Three months ended 31 December		Nine months ended 31 December	
	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited
Revenue				
Asset advisory and asset appraisal services income	5,928	7,349	25,000	24,382
Corporate services and consultancy income	2,743	1,267	4,037	1,857
Media advertising income	1,203	10,943	3,053	13,749
Loan interest income	119	1,657	10,470	5,136
Commission and brokerage income from securities dealings	1,669	–	2,062	–
	11,662	21,216	44,622	45,124
Other income				
Bank interest income	2	8	6	27
Reimbursement of out-of-pocket expenses	–	130	–	360
Sub-leasing income	540	1,688	1,619	2,707
Dividend income received from an associate	–	–	2,586	–
Management fee income	–	843	–	843
Others	69	4	566	411
	611	2,673	4,777	4,348

4. FINANCE COSTS

	Three months ended 31 December		Nine months ended 31 December	
	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited
Interest on bank borrowings	31	32	49	91
Interest on promissory notes	4,515	1,365	6,282	4,027
Finance lease charges	4	5	21	7
	4,550	1,402	6,352	4,125

5. LOSS BEFORE TAX

The Group's loss before tax is stated after charging/(crediting) the following:

	Three months ended 31 December		Nine months ended 31 December	
	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited
Depreciation	49	255	475	643
Fair value (gain)/loss on financial assets at fair value through profit or loss	(4,604)	35,327	45,740	63,095
(Gain)/Loss on disposal of financial assets at fair value through profit or loss	(40)	33	58,808	33

6. INCOME TAX (CREDIT)/EXPENSE

	Three months ended 31 December		Nine months ended 31 December	
	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited	2017 HK\$'000 Unaudited	2016 HK\$'000 Unaudited
Current tax — Hong Kong Profits Tax				
Tax (credit)/provision for the period	(1,432)	422	139	773
Current tax — Enterprise Income Tax in the People's Republic of China (the "PRC")				
Provision for the period	—	2,260	—	2,457
Underprovision in prior years	—	20	—	20
	—	2,280	—	2,477
Deferred tax	—	(5,557)	—	(9,947)
	(1,432)	(2,855)	139	(6,697)

Hong Kong Profits Tax has been provided at a rate of 16.5% on the estimated assessable profit for the three months and nine months ended 31 December 2017 (2016: 16.5%).

Tax charges on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof. The Enterprise Income Tax rate applicable to subsidiaries registered in the PRC is 25%.

There was no significant unprovided deferred tax for the relevant periods and at the end of each reporting period.

7. DIVIDEND

The Board does not declare the payment of a dividend for the nine months ended 31 December 2017 (the "Period") (nine months ended 31 December 2016: Nil).

8. LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share is based on the loss for the period attributable to owners of the Company for the three months and nine months ended 31 December 2017 of approximately HK\$12,446,000 (2016: HK\$28,214,000) and HK\$123,820,000 (2016: HK\$62,308,000), respectively and the weighted average number of shares for the three months and nine months ended 31 December 2017 of approximately 4,954,059,919 (2016: 4,857,968,600) and 4,889,882,140 (2016: 4,857,968,600), respectively in issue.

Diluted loss per share

Diluted loss per share attributable to owners of the Company for the three months and nine months ended 31 December 2017 is the same as the respective basic loss per share because all potential dilutive Shares would decrease the loss per share, and therefore, is anti-dilutive.

9. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company								Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Foreign currency translation reserve HK\$'000	Accumulated losses HK\$'000	Share-based payment reserve HK\$'000	Sub-total HK\$'000	Non-controlling interest HK\$'000	
At 1 April 2017 (audited)	48,580	542,908	5,359	(1,365)	(168,849)	4,048	430,681	9,091	439,772
Total comprehensive income/ (expense) for the period	-	-	-	1,104	(123,820)	-	(122,716)	(68)	(122,784)
Effect of forfeiture of share options granted	-	-	-	-	1,416	(1,416)	-	-	-
Issue of share capital	48,579	-	-	-	-	-	48,579	-	48,579
At 31 December 2017 (unaudited)	97,159	542,908	5,359	(261)	(291,253)	2,632	356,544	9,023	365,567
At 1 April 2016 (audited)	48,580	542,908	5,359	(358)	(44,570)	4,032	555,951	6,750	562,701
Total comprehensive income/ (expense) for the period	-	-	-	(988)	(62,308)	-	(63,296)	1,225	(62,071)
Recognition of share-based payments	-	-	-	-	-	60	60	-	60
Effect of forfeiture of share options granted	-	-	-	-	44	(44)	-	-	-
At 31 December 2016 (unaudited)	48,580	542,908	5,359	(1,346)	(106,834)	4,048	492,715	7,975	500,690

10. EVENTS AFTER THE REPORTING PERIOD

Up to the date of this third quarterly report, no significant event relevant to the business or financial performance of the Group came to the attention of the Directors after the Period.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group's business can be broadly categorised into four main sectors: (i) asset advisory services and asset appraisal; (ii) corporate services and consultancy; (iii) media advertising; and (iv) financial services.

Asset advisory services and asset appraisal

Asset advisory services and asset appraisal are the core business of the Group, which typically involves the provision of independent valuation services to a number of listed groups to meet market, regulatory and fiduciary requirements, sourcing and identifying potential investment opportunities or investors, undertaking due diligence and evaluation on the underlying assets and provision of procedural and strategic business advices. Asset advisory services income is primarily success-based and project-based nature.

Corporate services and consultancy

The corporate services and consultancy segment mainly focuses on the provision of advice to corporations in areas such as corporate governance, internal control, enterprise risk management and other operational aspects as well as provision of back office administration.

Media advertising

Media advertising income is generated mainly through in-elevator poster frames network and liquid-crystal-display network inside the elevators or lift lobbies of middle to high-end residential communities.

Financial services

The money lending business mainly involves provision of financial credit services such as personal loans and commercial loans to individuals and corporations while the gold trading business mainly comprises trading and exchange of gold and/or silver and provision of consultancy or agency services in Hong Kong. During the year ended 31 March 2017, the financial services sector was further expanded through the acquisition of a licenced corporation under the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the "SFO") to carry out Type 1 (dealing on securities) regulated activities.

FINANCIAL REVIEW

The Group's revenue for the Period was approximately HK\$44.6 million (nine months ended 31 December 2016: approximately HK\$45.1 million), representing a decrease of approximately 1.1% from that of the corresponding period of 2016 (the "Last Correspondence Period"). The decrease in the Group's revenue was mainly attributable to the decreases in media advertising income during the Period.

The Group's cost of sales for the Period was approximately HK\$15.0 million (nine months ended 31 December 2016: approximately HK\$17.1 million), representing a decrease of approximately 12.3% from that of the Last Corresponding Period. The decrease in cost of sales was due to the cost control during the Period.

The Group's marketing, administrative and other operating expenses for the Period were approximately HK\$41.2 million (nine months ended 31 December 2016: approximately HK\$31.9 million), representing an increase of approximately 29.2% from those of the Last Corresponding Period. The increase was in line with the expansion in operation.

The Group's net fair value loss on financial assets at fair value through profit or loss and loss on disposal of financial assets at fair value through profit or loss for the Period were approximately HK\$104.5 million (nine months ended 31 December 2016: HK\$63.1 million), representing an increase of approximately 65.6% from those of the Last Corresponding Period. The increase was due to the loss on (i) listed equity securities of WLS Holdings Limited ("WLS") (approximately HK\$49.0 million) and Major Holdings Limited ("MHL") (approximately HK\$18.5 million); and (ii) convertible bonds issued by China e-Wallet Payment Group Limited ("e-Wallet") (approximately HK\$25.2 million).

The Group's finance costs for the Period amounted to approximately HK\$6.4 million (nine months ended 31 December 2016: approximately HK\$4.1 million), representing an increase of approximately 56.1% from those of the Last Corresponding Period. The increase was mainly attributable to the effective interest expenses recognised on promissory notes issued by the Company on 31 March 2017.

Accordingly, the loss attributable to owners of the Company for the Period was approximately HK\$123.8 million (nine months ended 31 December 2016: loss of HK\$62.3 million). The increase in the loss of approximately HK\$61.5 million was mainly attributable to the loss on disposal of financial assets at fair value through profit or loss of approximately HK\$58.8 million and the loss on disposal of an associate of approximately HK\$11.0 million.

CAPITAL STRUCTURE

The capital structure of the Group and major fund raising activities during the Period are summarised as below:

Issue of Placing Shares

On 22 December 2017, an aggregate of 971,590,000 new Shares were successfully placed to not less than six places at a price of HK\$0.05 each (the "Placing") under a general mandate granted by the shareholders of the Company (the "Shareholders") at its annual general meeting held on 25 September 2017. The net proceeds from the Placing (after deducting related placing commissions and related expenses) were approximately HK\$47.1 million and the Company intended to use such proceeds for general working capital of the Group.

As at 31 December 2017, approximately HK\$47.1 million of the net proceeds has been placed in a licenced bank in Hong Kong to reserve for general operation of the Group.

Details of the Placing were disclosed in the Company's announcements dated 28 November 2017 and 22 December 2017.

Early Redemption of Promissory Notes

On 31 March 2017, the Company issued promissory notes in an aggregate principal amount of HK\$67.4 million (the "PN"), details of which are set out in the Company's announcement dated 31 March 2017. On 25 October 2017, the full principal amount of the PN together with accrued interest thereon was early redeemed by the Company, and settled from the net proceeds from the repayment of loan from a customer.

REVIEW ON PROVISION OF FINANCIAL ASSISTANCE

On 31 March 2017, the Group granted a loan facility of HK\$64.0 million at an interest rate of 8% per annum for a term of 24 months to a customer, an independent third party which executed a second mortgage over a property in favour of the Group as security in connection with the loan. As at 31 December 2017, HK\$64.0 million had been drawn and was subsequently repaid. The Group has nil outstanding amount of loan and interest receivable in relation to the aforementioned loan. For further details, please refer to the Company's announcement dated 31 March 2017.

SIGNIFICANT INVESTMENTS HELD

As at 31 December 2017, the Group's financial assets at fair value through profit or loss ("FVTPL"), with a total market value of approximately HK\$37.1 million (31 March 2017: HK\$143.2 million), represented an investment portfolio of four equity securities listed in Hong Kong (31 March 2017: nine equity securities listed in Hong Kong and one convertible bond issued by a company listed in Hong Kong). Details of the financial assets at FVTPL were set out as follows:

Name of securities	As at 31 December 2017			For the nine months ended 31 December 2017			As at 31 March 2017
	Percentage of shareholding interest	Fair value/ carrying value HK\$'000	Percentage to the financial assets at FVTPL	Percentage to the net assets	Realised loss HK\$'000	Unrealised gain/(loss) HK\$'000	Fair value/ carrying value HK\$'000
MHL (Stock code: 1389) (Note 1)	N/A	N/A	N/A	N/A	(18,470)	N/A	21,208
WLS (Stock code: 8021) (Note 2)	1.96%	9,750	26.3%	2.7%	(4,015)	(45,000)	59,323
e-Wallet (Stock code: 802) (Note 3)	2.19%	23,400	63.1%	6.4%	N/A	8,400	N/A
Convertible bonds issued by e-Wallet	N/A	N/A	N/A	N/A	(25,200)	N/A	40,200
China Kingstone Mining Holdings Limited ("Kingstone") (Stock code: 1380) (Note 4)	1.93%	3,696	10.0%	1.0%	N/A	(1,965)	N/A
Other investments (Notes 5 and 6)		240	0.6%	0.1%	(11,123)	(7,175)	22,467
		37,086	100%	10.2%	(58,808)	(45,740)	143,198

Notes:

1. MHL is principally engaged in sale and distribution of premium wine and spirit products and wine accessory products in Hong Kong.
2. WLS is principally engaged in the provision of scaffolding and fitting-out services, management contracting services, other services for construction and buildings work, money lending business and trading of securities in Hong Kong.
3. e-Wallet is principally engaged in trading of security and biometric products and internet and mobile's application and related accessories.
4. Kingstone is principally engaged in the production and sale of marble and marble related products.
5. The carrying value of each of these investments represented less than 1% of the net assets of the Group as at 31 December 2017.
6. The Group had less than 1% of the shareholding interest in each of these investments as at 31 December 2017.

During the Period, the Group recorded a realised loss of HK\$58.8 million and an unrealised loss of HK\$45.7 million (nine months ended 31 December 2016: realised loss of HK\$0.3 million and unrealised loss of HK\$63.1 million) under the volatile stock market conditions.

The future performance of the equity securities held by the Group may be influenced by the Hong Kong stock market. In this regard, the Group will continue to maintain a diversified investment portfolio and closely monitor the performance of its investments and the market trends to adjust its investment strategies.

Save as disclosed above, there were no other significant investments held by the Group as at 31 December 2017.

OUTLOOK

Although the revenue growth from asset advisory and corporate consultancy services has slowed down as compared with previous years due to a lack of optimism in the global economy and the volatile financial and capital market, the Group remains cautiously optimistic about the steady demand for professional commercial services in the PRC, Taiwan, Hong Kong and Macau (together, the “Greater China”). As companies in the Greater China, especially in the PRC, grow in corporate size and operational complexity and geographical diversification, the need for a leading professional advisor on asset value, procedures and regulations as well as investment matching is expected to remain there. Based on the Group’s existing competitive advantages and market position in the core business segments, the experienced professional teams and provision of convenient one-stop professional services, the Group is confident to address such challenges.

Furthermore, the Group completed the acquisition of a 95% equity interest of a licenced corporation under the SFO to carry out Type 1 (dealing in securities) regulated activities in January 2017. With the expansion of its operations to the financial services businesses, the Group believes that its client base and income source would be further diversified and increased. With the financial resources on hand, the Group will continue to seek investment and business opportunities in relation to companies engaged in the financial services industry in Hong Kong, in particular the money lending business and securities brokerage business, with a view to achieving a sustainable growth, increasing profitability and ultimately maximising the return to the Shareholders.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 December 2017, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), which would have: (a) 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 they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register as referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

(a) Long positions in the Shares

Name of Director	Capacity/ nature of interest	Number of issued Shares held	Approximate percentage to the issued Shares
Mr. Ip Kwok Kwong ("Mr. Ip")	Interest in controlled corporations	310,850,000 (Note)	5.33%

Note: 310,850,000 Shares are held by Brilliant One Holdings Limited ("Brilliant One") which was wholly owned by GC Holdings Limited ("GC Holdings"). GC Holdings was wholly owned by Mr. Ip, an executive Director (the "ED") and the Managing Director. By virtue of the SFO, Mr. Ip was deemed to have interests in all the Shares held by Brilliant One.

(b) Long positions in the shares of associated corporations

Name of Director	Name of associated corporations	Capacity/ nature of interest	Number of issued shares held	Percentage of interest in associated corporations
Mr. Ip (<i>Note</i>)	Brilliant One	Interest in a controlled corporation	200	100%
Mr. Ip (<i>Note</i>)	GC Holdings	Beneficial owner	1	100%

Note: The Company was owned as to approximately 5.33% by Brilliant One. Brilliant One was wholly owned by GC Holdings. GC Holdings was wholly owned by Mr. Ip.

(c) Long positions in the underlying Shares

Name of Director	Capacity/ nature of interest	Number of underlying Shares held	Approximate percentage to the issued Shares
Mr. Wu Di (<i>Note</i>)	Beneficial owner	8,575,000	0.15%

Note: Mr. Wu Di, an ED, was granted an option under the share option scheme of the Company on 27 August 2015 at an exercise price of HK\$0.367 per Share with an exercisable period from 27 August 2015 to 26 August 2018 (both dates inclusive).

Save as disclosed above, as at 31 December 2017, none of the Directors or the chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which would have to be notified to the Company and the Stock Exchange pursuant to the GEM Listing Rules or to be entered in the register referred to in the SFO.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

As at 31 December 2017, the following persons/corporations (other than a Director or the chief executive of the Company) had interests or short positions in the Shares and the underlying Shares, which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and entered in the register maintained by the Company pursuant to section 336 of the SFO:

Long positions in the Shares

Name of shareholders	Capacity/ nature of interest	Number of issued Shares held	Approximate percentage to the issued Shares
Brilliant One (Notes 1 and 2)	Beneficial owner	310,850,000	5.33%
GC Holdings (Note 1)	Interest in a controlled corporation	310,850,000	5.33%
M Success Finance Limited ("M Success") (Note 2)	Having a security interest	310,850,000	5.33%
Roma Group Limited ("Roma Group") (Note 2)	Interest in controlled corporations	310,850,000	5.33%
Laberie Holdings Limited ("Laberie") (Note 3)	Beneficial owner	1,400,000,000	24.02%
SEEC Media Group Limited ("SEEC Media") (Note 3)	Interest in a controlled corporation	1,400,000,000	24.02%
中歐盛世資產管理(上海)有限公司	Trustee	278,595,000	4.78%

Notes:

1. Brilliant One was wholly owned by GC Holdings which was wholly owned by Mr. Ip, an ED and the Managing Director. Therefore, under the SFO, GC Holdings was deemed to be interested in all the Shares held by Brilliant One.
2. On 8 July 2015, 310,850,000 Shares held by Brilliant One were pledged to M Success which was wholly owned by Ascendant Success Limited. Ascendant Success Limited was wholly owned by United Brilliant Limited which was wholly owned by Roma Group.
3. Laberie was wholly owned by SEEC Media. By virtue of the SFO, SEEC Media was deemed to be interested in all the Shares held by Laberie.

Save as disclosed above, as at 31 December 2017, the Company had not been notified by any parties (other than a Director or the chief executive of the Company) who had interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required to be recorded in the register maintained by the Company pursuant to section 336 of the SFO.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the rules set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct for dealing in the securities of the Company by the Directors (the "Required Standard of Dealings"). The Company had made a specific enquiry with each of the Directors and all of them confirmed that they had complied with the Required Standard of Dealings during the Period.

MANAGEMENT CONTRACTS

No contracts (except for the ED's employment contracts) concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Period.

DIRECTORS' INTERESTS IN COMPETING INTERESTS

None of the Directors or the substantial shareholders (as defined in the GEM Listing Rules) of the Company or their respective close associates (as defined in the GEM Listing Rules) had any interest in the business that competed or might compete with the business of the Group during the Period.

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

The Company did not redeem any of its Shares listed on the GEM nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the Period.

CORPORATE GOVERNANCE

The Company has complied with the code provisions as set out in the Corporate Governance Code as contained in Appendix 15 to the GEM Listing Rules during the Period.

AUDIT COMMITTEE

The Group's unaudited condensed consolidated results for the Period and this report have been reviewed by the audit committee of the Company, which was of the opinion that such results and report had been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

By order of the Board
GreaterChina Professional Services Limited
Ip Kwok Kwong
Executive Director and Managing Director

Hong Kong, 9 February 2018

As at the date of this report, the Board comprises Mr. Ip Kwok Kwong (Managing Director) and Mr. Wu Di as executive Directors; Ms. Yang Yan as non-executive Director; Mr. Cheung Ka Chun, Mr. So Kwok Yun and Mr. Tang Wai Kee as independent non-executive Directors.