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FORISE INTERNATIONAL LIMITED

UNAUDITED RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2018

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS.

1(a)(i) A consolidated income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial period.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group			Group		
	3Q2018 RMB'000	3Q2017 RMB'000	%Change +/(-)	**9M2018 RMB'000**	9M2017 RMB'000	%Change +/(-)
Continuing Operations						
Revenue	**3,507**	5,357	(34.5)	**10,861**	13,156	(17.4)
Other income	**153**	207	(26.1)	**1,113**	213	422.5
Interest income	**562**	27	1,981.5	**939**	79	1,088.6
Other gain/(loss), net						
-Currency exchange gain/(loss), net	**705**	(203)	n.m.	**1,085**	321	238.0
Expenses						
-Consultancy charges	**-**	-	-	**-**	(1,924)	n.m.
-Depreciation	**(3)**	(13)	(76.9)	**(19)**	(35)	(45.7)
-Directors' fee	**(361)**	(249)	45.0	**(777)**	(714)	8.8
-Employee compensation	**(1,135)**	(1,025)	10.7	**(2,927)**	(2,255)	29.8
-Professional fees	**(197)**	(532)	(63.0)	**(447)**	(1,597)	(72.0)
-Rental on operating leases	**(895)**	(1,235)	(27.5)	**(2,560)**	(1,694)	51.1
-Finance	**(4)**	(4)	-	**(12)**	(11)	9.1
-Other operating expenses	**(271)**	(417)	(35.0)	**(969)**	(906)	7.0
Total expenses	**(2,866)**	(3,475)	(17.5)	**(7,711)**	(9,136)	(15.6)
Share of loss of joint venture	**(1)**	(355)	(99.7)	**(77)**	(355)	(78.3)
Share of profit of an associated company	**11**	-	n.m.	**15**	-	n.m.
Profit before income tax	**2,071**	1,558	32.9	**6,225**	4,278	45.5
Income tax expenses	**(635)**	(1,228)	(48.3)	**(2,211)**	(2,058)	7.4
Profit from continuing operations	**1,436**	330	335.2	**4,014**	2,220	80.8
Discontinued operations						
Profit/ (loss) from discontinued operations, net of tax	**5**	(291)	n.m.	**(246)**	(1,530)	(83.9)
Total income, representing total comprehensive income	**1,441**	39	3,594.9	**3,768**	690	446.1
Profit attributable to						
-Equity holders of the Company	**1,441**	39	3,594.9	**3,768**	690	446.1
Profit/(loss) attributable to equity holders of the Company relates to:						
-Profit from continuing operations	**1,436**	330	335.2	**4,014**	2,220	80.8
-Profit/(loss) from discontinued operations	**5**	(291)	n.m.	**(246)**	(1,530)	(83.9)
	1,441	39	3,594.9	**3,768**	690	446.1
Total comprehensive income attributable to						
-Equity holders of the Company	**1,441**	39	3,594.9	**3,768**	690	446.1

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial period:-

	Group			Group		
	3Q2018 RMB'000	3Q2017 RMB'000	%Change +/(-)	**9M2017 RMB'000**	9M2016 RMB'000	%Change +/(-)
(Expense)/Income						
Depreciation of property, plant and equipment	**(3)**	(13)	(76.9)	**(19)**	(35)	(45.7)
Interest income	**562**	27	1,981.5	**939**	79	1.088.6
Currency exchange gain/(loss), net	**705**	(203)	n.m.	**1,085**	321	238.0

"n.m." denotes "not meaningful"

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1(b)(i) A balance sheet (for the issuer and the Group), together with a comparative statement as at the end of the immediately preceding financial period

	Group		Company	
	As at 30 Sep 2018 RMB'000	As at 31 Dec 2017 RMB'000	**As at 30 Sep 2018 RMB'000**	As at 31 Dec 2017 RMB'000
ASSETS				
Current assets				
Cash and cash equivalents	**20,835**	34,957	**19,926**	21,218
Trade and other receivables	**24,143**	8,595	**1,241**	4,953
Other current assets	**1,197**	619	**435**	344
	46,175	44,171	**21,602**	26,515
Non-current assets				
Investments in subsidiaries	**-**	-	**1,259**	1,259
Investment in an associated company	**1,989**	1,975	**-**	-
Investment in a joint venture	**3,205**	3,282	**3,205**	3,282
Property, plant and equipment	**21**	41	**19**	38
	5,215	5,298	**4,483**	4,579
Total assets	**51,390**	49,469	**26,085**	31,094
LIABILITIES				
Current liabilities				
Trade and other payables	**1,950**	2,984	**927**	2,843
Current income tax liabilities	**1,236**	2,049	**-**	-
Total liabilities	**3,186**	5,033	**927**	2,843
NET ASSETS	**48,204**	44,436	**25,158**	28,251
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	**145,320**	145,320	**145,320**	145,320
Accumulated losses	**(97,116)**	(100,884)	**(120,162)**	(117,069)
TOTAL EQUITY	**48,204**	44,436	**25,158**	28,251

1(b)(ii) Aggregate amount of the Group's borrowings and debt securities

The Group has no borrowings and debt securities as at 30 September 2018 and 31 December 2017.

1(b)(iii) Details of any collaterals

Nil.

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1(c) A cash flow statement (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial period.

	Group		Group	
	3Q2018	3Q2017	**9M2018**	9M2017
	RMB'000	RMB'000	**RMB'000**	RMB'000
Cash flows from operating activities				
Total profit	**1,441**	39	**3,768**	690
Adjustments for:				
-Income tax expense	**184**	1,338	**1,759**	2,168
-Amortisation and depreciation	**3**	15	**19**	73
-Interest income	**(562)**	(27)	**(939)**	(85)
-Inventory written off	**-**	-	**-**	6
-Unrealised currency translation losses	**-**	-	**(42)**	6
-Share of profit of associated company	**(11)**	-	**(15)**	-
-Share of loss of a joint venture	**1**	355	**77**	355
Operating profit before changes in working capital	**1,056**	1,720	**4,627**	3,213
Changes in working capital:				
-Trade and other receivables	**(414)**	4,541	**2,818**	14,786
-Other current assets	**(422)**	(751)	**(577)**	(837)
-Trade and other payables	**360**	(291)	**(1,033)**	(12,888)
Cash generated from operations	**580**	5,219	**5,835**	4,274
Interest received	**162**	27	**271**	85
Income tax paid	**(966)**	(241)	**(2,528)**	(800)
Net cash (used in)/generated from operating activities	**(224)**	5,005	**3,578**	3,559
Cash flows from investing activites				
Additions to property, plant and equipment	**-**	(18)	**-**	(34)
Investment in an associated company	**-**	(2,000)	**-**	(2,040)
Investment in a joint venture	**-**	(3,922)	**-**	(3,922)
Loans to associated company	**(5,000)**	-	**(17,700)**	-
Net cash used in investing activities	**(5,000)**	(5,940)	**(17,700)**	(5,996)
Net decrease in cash and cash equivalents	**(5,224)**	(935)	**(14,122)**	(2,437)
Cash and cash equivalents at beginning of financial period	**26,059**	37,355	**34,957**	38,857
Cash and cash equivalents at end of financial period	**20,835**	36,420	**20,835**	36,420

Note: For the purpose of consolidated cash flow statement, cash and cash equivalents comprise the following :-

	Group		Group	
	3Q2018	3Q2017	**9M2018**	9M2017
	RMB'000	RMB'000	**RMB'000**	RMB'000
Cash and bank balances	**20,835**	36,420	**20,835**	36,420

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1(d)(i) A statement (for the issuer and the Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial period

(RMB'000)	Attributable to equity holders of the Company				Non-controlling interest	Total equity
	Share Capital	Currency Translation Reserve	Retained Profits/ (Accumulated Losses)	Total		
Group						
At 1 January 2018	145,320	-	(100,884)	44,436	-	44,436
Total comprehensive income for the financial period	-	-	3,768	3,768	-	3,768
At 30 September 2018	145,320	-	(97,116)	48,204	-	48,204
At 1 January 2017	145,320	9	(102,440)	42,889	-	42,889
Exchange Conversion Reserve	-	(9)	9	-	-	-
Total comprehensive income for the financial period	-	-	690	690	-	690
At 30 September 2017	145,320	-	(101,741)	43,579	-	43,579
Company						
At 1 January 2018	145,320	-	(117,069)	28,251	-	28,251
Total comprehensive loss for the financial period	-	-	(3,093)	(3,093)	-	(3,093)
At 30 September 2018	145,320	-	(120,162)	25,158	-	25,158
At 1 January 2017	145,320	-	(111,262)	34,058	-	34,058
Total comprehensive loss for the financial period	-	-	(4,671)	(4,671)	-	(4,671)
At 30 September 2017	145,320	-	(115,933)	29,387	-	29,387

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital

There were no changes in the share capital of the Company in the 3Q2018.

	Group and Company	
	As at 30 September 2018	As at 31 December 2017
	(No. of shares)	
Ordinary shares issued and fully paid		
Beginning and end of financial period/year	**2,130,000,000**	2,130,000,000

There were no changes in the Company's share capital since the end of the previous period/year reported on and save as disclosed above there were no outstanding convertibles or treasury shares held as at 30 September 2018.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

	Group and Company	
	As at 30 September 2018	As at 31 December 2017
Number of issued shares excluding treasury shares		
Beginning and end of financial period/year	**2,130,000,000**	2,130,000,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period report on.

Not applicable.

1(d)(v) A statement showing all sales, transfers, disposals, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which standard and practice.

The figures in this announcement have not been audited or reviewed by the Group's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the Group has consistently applied the same accounting policies and methods of computation in the Group's financial statement for the current reporting period as compared with the audited financial statements for the financial year ended 31 December 2017.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group's financial statements for the financial year ending 31 December 2018 will be prepared in accordance with the Singapore Financial Reporting Standards (International) ("SFRS(I)") issued by the Accounting StandardS Council ("ASC") and International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The adoption of the new framework and the new SFRS(I)s, amendements and interpretations of SFRS(I)s which took effect from the current financial year will not result in any changes to the Group's and the Company's accounting policies and will have no material impact on the accounts reported for the current or prior financial years.

6. Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group		Group	
	Third Quarter ended 30 Sep		Nine Months ended 30 Sep	
	2018	2017	**2018**	2017
	RMB Cents	RMB Cents	**RMB Cents**	RMB Cents
Earnings per Share (Basic and Diluted)				
- Continuing operations	**0.0674**	0.0155	**0.1884**	0.1042
- Discontinued operations	**0.0002**	0.0137	**(0.0115)**	0.0718
Number of shares				
Weighted average number of issued ordinary shares	**2,130,000,000**	2,130,000,000	**2,130,000,000**	2,130,000,000

Basic earnings per share is computed by dividing the earnings attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares outstanding at the end of the respective financial period.

7. Net assets value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial period

	Group		Company	
	As at 30 Sep 2018	As at 31 Dec 2017	**As at 30 Sep 2018**	As at 31 Dec 2017
	RMB Cents	RMB Cents	**RMB Cents**	RMB Cents
Net assets value per ordinary share	**2.26**	2.09	**1.18**	1.33
Number of issued ordinary shares as at end of the financial period/year	**2,130,000,000**	2,130,000,000	**2,130,000,000**	2,130,000,000

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must include a discussion of the following:-

a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period/year reported on, including (where applicable) seasonal or cyclical factors; and

b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period/year reported on.

Commentary on Financial Results

Revenue

The revenue is generated solely from the business of providing corporate advisory services which comprise of advice to fund and investment managers with respect to corporate actions such as pre-IPO, mezzanine financing, private equity etc; and advice to SMEs (and high net worth individuals) with respect to better deployment of idle capital.

	Revenue			Revenue		
	3Q18	3Q17	% Change +/(-)	**9M2018**	9M2017	% Change +/(-)
	RMB'000	RMB'000		**RMB'000**	RMB'000	
China - fund/investment managers	**3,507**	5,357	(34.5)	**10,861**	13,156	(17.4)

Revenue from corporate advisory business decreased by RMB1.85 million or 34.5%, from RMB5.36 million in 3Q2017 to RMB3.51 million in 3Q2018, mainly due to fewer contracts clinched and completed in 3Q2018 as compared to 3Q2017. The revenue for the 9 months ended 30 September 2018 ("9M2018") decreased by RMB2.29 million or 17.4%, from RMB13.16 million for the 9 months ended 30 September 2017 ("9M2017") to RMB10.86 million, in 9M2018, mainly due to fewer advisory service contracts clinched and completed by the Group in 9M2018 as opposed to 9M2017. While our corporate advisory business is not wholly dependent on the macro economic activity of China, it is sensitive to Chinese corporate activity. As can be seen in the chart below, such activity is seeing a downward trend.



Source: Trading Economics

Interest income

The Group's interest income increased by RMB0.53 million, from RMB0.03 miillion in 3Q2017 to RMB0.56 million in 3Q2018, and increased by RMB0.86 million, from RMB0.08 million for 9M2017 to RMB0.94 million for 9M2018. The increase was attributable to interest income from loans to associated company amounting to RMB0.65 million for 9M2018 and RM0.40 million for 3Q2018. No such interest income was recorded in 9M2017 and 3Q2017 respectively.

Other income

Other income of the Group decreased by RMB0.06 million, from RMB0.21 million in 3Q2017 to RMB0.15 million in 3Q2018. The other income in 3Q2017 comprised of a tax refund of RMB0.21 million while other income in 3Q2018 comprised of rental income of RMB0.15 million.

On the other hand, other income of the Group increased by RMB0.90 million, from RMB0.21 million for 9M2017 to RMB1.11 million for 9M2018. The increase was attributable to:

i) rental income of RMB0.44 million for 9M2018 from sub-lease of office premises to a related party lessee. The Group has sub-leased its Singapore office premises with a tenure of 2 years effective from 1 January 2018. The sub-lease rental income was derived from the occupancy of floor area by the related party lessee and rental income is receivable on monthly basis.

ii) tax refund of RMB0.67 million received from the China Local Tax Authority during 9M2018. The tax refund was distributed by the China Local Tax Authority to incentivise local entreprises for setting up more companies within the local proximity.

Other gains/(loss), net

The Group recorded currency exchange gain of RMB0.70 million for 3Q2018 and RMB1.08 million in 9M2018, mainly due to the appreciation of Singapore Dollar ("SGD") and United States Dollar ("USD") against the functional currencies of the respective companies in the Group.

The Group recognises foreign currency exchange gains or losses as a result of transactions denominated in foreign currencies, and the translation of receivables, cash and payables denominated in foreign currencies to the functional currencies of the respective companies in the Group as at each reporting date. As the Group is in net USD and SGD assets position, the appreciation of the USD and SGD againsts Renminbi ("RMB") contributed to the foreign currency exchange gain in 3Q2018 and 9M2018.

Expenses

1) Consultancy charges

The consultancy charges incurred during 9M2017 consisted of the costs incurred for certain consultancy projects where other service providers were engaged by the Group to assist in completion of the consultancy deliverables to clients.

No consultancy charges were incurred for 3Q2018 and 9M2018 as the contracts were completed using the internal resources of the Group.

2) Employee compensation

Employee compensation of the Group increased by RMB0.11 million or 10.7%, from RMB1.02 million in 3Q2017 to RMB1.13 million in 3Q2018 and increased by RMB0.68 million or 29.8%, from RMB2.25 million for 9M2017 to RMB2.93 million for 9M2018. The increase was due to higher employee costs in our Tianjin WFOE as certain employees were recruited to join the Tianjin WFOE in mid-2017.

3) Professional fees

Professional fees of the Group decreased by RMB0.33 million or 63.0%, from RMB0.53 million in 3Q2017 to RMB0.20 million in 3Q2018 and decreased by RMB1.15 million or 72.0%, from RMB1.60 million for 9M2017 to RMB0.45 million for 9M2018. The decrease was mainly due to more professional services rendered during 3Q2017 and 9M2017 in relation to the proposed Rights Issue (particularly fees paid to Rights Issue Manager and legal advisor) and other advisory matters.

4) Rental on operating leases

Rental on operating leases of the Group decreased by RMB0.34 million or 27.5%, from RMB1.23 million in 3Q2017 to RMB0.89 million in 3Q2018. The decrease was attributable to:

i) reduction of rental expenses of Singapore office upon lease renewal in 3Q2017, and

ii) an agreed lump sum backcharge of rental expenses for Tianjin WFOE from January to August 2017 upon finalisation of the sub-lease agreement with the main tenant in 3Q2017.

On the other hand, rental on operating leases of the Group increased by RMB0.87 million or 51.1%, from RMB1.69 million for 9M2017 to RMB2.56 million for 9M2018. The increase was mainly due to office rental expenses incurred by Tianjin WFOE for 9M2018.

5) Other operating expenses

Other operating expenses of the Group decreased by RMB0.15 million or 35.0%, from RMB0.42 million in 3Q2017 to RMB0.27 million in 3Q2018. The decrease was attributable to less travelling and accommodation expenses incurred for 3Q2018 as compared to 3Q2017.

On the other hand, other operating expenses of the Group increased by RMB0.06 million or 7.0%, from RMB0.91 million in 9M2017 to RMB0.97 million in 9M2018. The increase was mainly due to higher printing and stationeries and staff training expenses incurred during 9M2018.

Share of loss of a joint venture

The Group has recognised its share of loss from a joint venture amounting to RMB0.001 million and RMB0.08 million for 3Q2018 and 9M2018 respectively. The losses are primarily due to start-up costs as the joint venture prepares for and markets its first fund.

Share of profit of an associated company

The Group has recognised its share of profit from an associated company amounting to RMB0.011 million and RMB0.015 million for 3Q2018 and 9M2018 respectively.

Profit before tax

As a result of the above, the Group recorded a profit before tax of RMB2.07 million in 3Q2018 and RMB6.22 milion for 9M2018 as compared to RMB1.56 million in 3Q2017 and RMB4.28 million in 9M2017 respectively.

Income tax expenses

The income tax expense of RMB0.64 million for 3Q2018 and RMB2.21 million in 9M2018 was incurred solely by Tianjin WFOE translated to effective tax rates of 30.7% and 35.5% respectively.

The effective tax rate was significantly higher than China's statutory tax rate of 25% mainly due to losses incurrred by other group entities with different tax jurisdictions that cannot be offset against profits earned by Tianjin WFOE.

Profit after tax

Consequent to the above, the Group recorded net profit of RMB1.44 million for 3Q2018 and RMB4.01 million in 9M2018 as compared to net profit of RMB0.33 million for 3Q2017 and RMB2.22 million in 9M 2017 respectively.

Discontinued operations

The Group has recorded net loss of RMB0.25 million from its discontinued operations in 9M2018 arising from the garment trading entities which had been presented as "Discontinued Operations".

Commentary on Financial Position

Non-current assets

Property, plant and equipment of the Group decreased by RMB0.02million, from RMB0.04 million as at 31 December 2017 to RMB0.02 million as at 30 September 2018, was mainly due to depreciation charge.

The Group has an investment in an associated company which is in the business of commercial factoring in China. The Group's investment in the associated company increased by RMB0.01 million, from RMB1.98 million as at 31 December 2017 to RMB1.99 million as at 30 September 2018, due to share of profit for 9M2018.

Investment in a joint venture decreased by RMB0.08 million, from RMB3.28 million as at 31 December 2017 to RMB3.20 million as at 30 September 2018, mainly due to the Group's share of losses of RMB0.08 million in 9M2018.

Current Assets

Current assets of the Group increased by RMB2.00 million, from RMB44.17 million as at 31 December 2017 to RMB46.17 million as at 30 September 2018, mainly due to the increase in trade and other receivables and other current assets, offset by the decrease in cash and cash equivalents.

Cash and cash equivalents of the Group decreased by RMB14.12 million, from RMB34.96 million as at 31 December 2017 to RMB20.84 million as of 30 September 2018, mainly due to net cash used in investing activities for the 9M2018 reported on.

Trade and Other Receivables

	Group			Company		
	30 Sep 2018	31 Dec 2017	% Change	**30 Sep 2018**	31 Dec 2017	% Change
	RMB'000	RMB'000		**RMB'000**	RMB'000	+/ (-)
Trade receivables	**3,630**	6,488	**(44.0)**	**-**	-	-
Other receivables	**20,513**	2,107	**873.6**	**1,241**	4,953	(74.9)
Total	**24,143**	8,595	**180.9**	**1,241**	4,953	(74.9)

Trade and other receivables of the Group decreased by RMB15.5 million, from RMB8.59 million as at 31 December 2017 to RMB24.14 million as at 30 September 2017, due to:

i) Decrease in net trade receivables of RMB2.86 million as a result of subsequent collection from debtors.

ii) Other receivables rose from RMB2.11 million to RMB20.51 million due to a) interest-bearing loans of RMB12.70 million made in 1H2018 as explained in previous announcements; b) an additional interest-bearing loan of RMB5.00 million made to an associated company in 3Q18; and c) accumulated loan interest receivable. The loans to associated company are interest-bearing at rates ranging from 8% to 9% per annum and are recoverable within 8-12 months.

Current Liabilities

Trade and other payables decreased by RMB1.03 million from RMB2.98 million as at 31 December 2017 to RMB1.95 million as at 30 September 2018. The decrease was mainly due to the settlement of trade and other payables.

The current income tax liabilities of RMB1.24 million as at 30 September 2018 are made up of provision of income tax for the revenue generated from Tianjin WFOE amounting to RMB0.18 million and provision for income tax made in FY2016 with respect to revenue previously generated from a garment trading company in Hong Kong.

Commentary on financial cash flows

Net cash (used in)/generated from operating activities of RMB0.22 million and RMB3.58 million in 3Q2018 and 9M2018 respectively were mainly due to collection from trade receivables.

Net cash used in investing activities of RMB5.00 million and RMB17.70 million in 3Q2018 and 9M2018 related to provision of interest-bearing loans to an associated company.

Consequent to the above, the cash and cash equivalents decreased by RMB14.12 million, from RMB34.96 million as at 31 December 2017 to RMB20.84 million as at 30 September 2018.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

There is no variance between the commentary given in our previous results announcement on 14 August 2018 and the actual results for the period reported on.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

The recent tariff actions by the United States against China and China's retaliatory tariffs have caused turmoil and led in part to the decline in both the equity and currency markets. Our business, which generally does better when markets are bouyant and more certain, has been impacted. However, the degree of future impact is difficult to judge. Nevertheless, the Group expects the global market and equity market to remain challenging.

The Group will continue to focus on the development and growth of its strategic planning, corporate advisory, financial restructuring and management consultancy business.

The Group remains committed to sourcing for other business opportunities to expand and enhance the performance and net asset value of the Group.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No general mandate has been obtained from shareholders for IPTs.

14. Statement Pursuant to Rule 705(5) of the Listing Manual

To the best of their knowledge and belief, nothing has come to the attention of the Board of Directors which may render the unaudited Third Quarter Results of the Group for the financial period ended 30 September 2018 to be false or misleading in any material aspect.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that the undertakings required under Rule 720(1) of the Listing Manual have been obtained from all its directors and executive officers in the format set out in Appendix 7.7 of the Listing Manual.

On Behalf of the Board of Directors

BY ORDER OF THE BOARD
Leo Peng WeiLe
Executive Director
13 November 2018