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大 唐 投 資 國 際 有 限 公 司*

GRAND INVESTMENT INTERNATIONAL LTD.

(incorporated in Bermuda with limited liability)

(Stock Code: 1160)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2018

The Board (the "Board") of Directors (the "Directors") of Grand Investment International Ltd. (the "Company") is pleased to announce that the audited results of the Company for the year ended 31 March 2018 (the "Year") together with the comparative figures for the year ended 31 March 2017 are as follows:

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2018

	NOTE	2018 HK$'000	2017 HK$'000
GAIN ON INVESTMENTS	3	–	309
OTHER REVENUES	3	15	25
IMPAIRMENT LOSS ON AVAILABLE-FOR-SALE INVESTMENT		(527)	(2,847)
LOSS ON DISPOSAL OF AVAILABLE-FOR-SALE INVESTMENT		(1,558)	–
ADMINISTRATIVE EXPENSES		(8,368)	(3,464)
LOSS BEFORE TAXATION	4	(10,438)	(5,977)
TAXATION	5(a)	–	–
LOSS FOR THE YEAR		(10,438)	(5,977)
OTHER COMPREHENSIVE INCOME		–	–
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(10,438)	(5,977)
DIVIDEND	6	–	–
LOSS PER SHARE	7		
Basic:			
For loss for the year		(HK$0.06)	(HK$0.03)
Diluted:			
For loss for the year		N/A	N/A

* *For identification purposes only*

STATEMENT OF FINANCIAL POSITION
As at 31 March 2018

	NOTE	**2018** **HK$'000**	2017 *HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**60**	–
Available-for-sale investments	*8*	**–**	18,561
TOTAL NON-CURRENT ASSETS		**60**	18,561
CURRENT ASSETS			
Available-for-sale investments		**13,679**	–
Deposits, other receivables and prepayments		**1,396**	3,102
Cash and cash equivalents		**12,639**	8,688
TOTAL CURRENT ASSETS		**27,714**	11,790
CURRENT LIABILITIES			
Other payables and accruals		**524**	163
Deposit received		**7,500**	–
TOTAL CURRENT LIABILITIES		**8,024**	163
NET CURRENT ASSETS		**19,690**	11,627
NET ASSETS		**19,750**	30,188
CAPITAL AND RESERVES			
Share capital		**17,280**	17,280
Reserves		**2,470**	12,908
TOTAL EQUITY		**19,750**	30,188
NET ASSET VALUE PER SHARE		**HK$0.11**	HK$0.17

NOTES:

1. GENERAL INFORMATION

Grand Investment International Ltd. (the "Company") is a limited liability company incorporated in Bermuda on 15 April 2003 as an exempted company. The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 2 April 2004.

The address of the registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of business of the Company is Unit 503, 5/F., Greenfield Tower, Concordia Plaza, 1 Science Museum Road, Kowloon, Hong Kong.

The Company is principally engaged in investing in listed and unlisted enterprises established in Hong Kong, United States, the People's Republic of China and other regions.

2. BASIS OF PREPARATION

These financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRS"), which is a collective term that includes all applicable individual HKFRS, Hong Kong Accounting Standards ("HKAS"), and Interpretations ("Ints") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong. These financial statements also comply with applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and the disclosure requirements of the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention.

These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies.

(a) New and amended standards adopted by the Company

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 April 2017:

– Amendments to HKAS 7 "Statement of cash flows" – Disclosure initiative

– Amendments to HKAS 12 "Income taxes" – Recognition of Deferred Tax Assets for Unrealised Losses

Amendments to HKAS 7 "Disclosure initiative"

The amendments require a company to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including changes arising from cash flows and non-cash changes. Specifically, the amendments require the following changes in liabilities arising from financing activities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

Amendments to HKAS 12 "Recognition of Deferred Tax Assets for Unrealised Losses"

The amendments clarify that a company needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference.

The adoption of these amendments did not have any impact on the amounts recognised in prior periods. Most of the amendments will also not affect the current or future periods.

(b) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are mandatory for accounting financial periods of the Company beginning on or after 1 April 2018. Some of these new standards and interpretations are relevant and applicable to the Company; however, they have not been early adopted in these financial statements. The Company has commenced, but not yet completed, an assessment of the impact of the applicable standards and interpretations on its results of operations and financial positions.

	Effective for accounting periods beginning on or after
HKFRS 9 "Financial instruments"	1 January 2018
HKFRS 15 "Revenue from contracts with customers"	1 January 2018
Amendments to HKFRS 2 "Classification and Measurement of Share-based Payment Transactions"	1 January 2018
Amendments to HKFRS 1 "First time adoption of HKFRS"	1 January 2018
Amendments to HKAS 28 "Investments in associates and joint ventures"	1 January 2018
Amendments to HKAS 40 "Transfers of investment property"	1 January 2018
HK (IFRIC) 22 "Foreign Currency Transactions and Advance Consideration"	1 January 2018
"Annual Improvements to HKFRSs 2014-2016 Cycle"	1 January 2018
Amendments to HKFRS 9 "Prepayment Features with Negative Compensation"	1 January 2019
Amendments to HKFRS 16 "Leases"	1 January 2019
Amendments to HKAS 19 "Employee Benefits"	1 January 2019
Amendments to HKAS 28 "Long-term Interests in Associates and Joint Ventures"	1 January 2019
HK (IFRIC) 23 "Uncertainty over Income Tax Treatments"	1 January 2019
Amendments to HKFRS 10 and HKAS 28 "Sale or contribution of assets between an investor and its associate or joint venture"	to be determined
"Annual Improvements to HKFRSs 2015-2017 Cycle"	1 January 2019

The Company's assessment of the impact of these new standards and interpretations is set out below:

HKFRS 9 "Financial Instruments"

HKFRS 9 has three financial asset classification categories for investments in debt instruments: amortised cost, fair value through other comprehensive income ("OCI") and fair value through profit or loss. Classification is driven by the entity's business model for managing the debt instruments and their contractual cash flow characteristics. Investments in equity instruments are always measured at fair value. However, management can make an irrevocable election to present changes in fair value in OCI, provided the instrument is not held for trading. If the equity instrument is held for trading, changes in fair value are presented in profit or loss. For financial liabilities there are two classification categories: amortised cost and fair value through profit or loss. Where non-derivative financial liabilities are designated at fair value through profit or loss, the changes in the fair value due to changes in the liability's own credit risk are recognised in OCI, unless such changes in fair value would create an accounting mismatch in profit or loss, in which case, all fair value movements are recognised in profit or loss. There is no subsequent recycling of the amounts in OCI to profit or loss. For financial liabilities held for trading (including derivative financial liabilities), all changes in fair value are presented in profit or loss.

HKFRS 9 introduces a new model for the recognition of impairment losses – the expected credit losses (ECL) model, which constitutes a change from the incurred loss model in HKAS 39. HKFRS 9 contains a 'three stage' approach, which is based on the change in credit quality of financial assets since initial recognition. Assets move through the three stages as credit quality changes and the stages dictate how an entity measures impairment losses and applies the effective interest rate method. Where there is a significant increase in credit risk, impairment is measured using lifetime ECL rather than 12-month ECL.

HKFRS 9 applies to all hedging relationships, with the exception of portfolio fair value hedges of interest rate risk. The new guidance better aligns hedge accounting with the risk management activities of an entity and provides relief from the more "rule-based" approach of HKAS 39.

With respect to the Company's unlisted equity securities and investments in limited partnerships measured at cost less impairment and classified as available-for-sale investments as at 31 March 2018, upon adoption of HKFRS 9, limitation circumstance by using the cost model would not apply to the Company. It is expected that these securities will be designated as financial asset at fair value through other comprehensive income.

HKFRS 15 "Revenue from Contracts with Customers"

HKFRS 15 establishes a comprehensive framework for determining when to recognise revenue and how much revenue to recognise through a 5-step approach: (1) Identify the contract(s) with customer; (2) Identify separate performance obligations in a contract; (3) Determine the transaction price; (4) Allocate transaction price to performance obligations; and (5) recognise revenue when performance obligation is satisfied. The core principle is that a company should recognise revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. It moves away from a revenue recognition model based on an 'earnings processes' to an 'asset-liability' approach based on transfer of control.

HKFRS 15 provides specific guidance on capitalisation of contract cost and licence arrangements. It also includes a cohesive set of disclosure requirements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

HKFRS 15 replaces the previous revenue standards: HKAS 18 Revenue and HKAS 11 Construction Contracts, and the related Interpretations on revenue recognition: HK(IFRIC) 13 Customer Loyalty Programmes, HK(IFRIC) 15 Agreements for the Construction of Real Estate, HK(IFRIC) 18 Transfers of Assets from Customers and SIC-31 Revenue – Barter Transactions Involving Advertising Services.

HKFRS 2 "Classification and Measurement of Share-based Payment Transactions"

The HKICPA has issued amendments to HKFRS 2 "Classification and Measurement of Share-based Payment Transactions". These amendments clarify the measurement basis for cash-settled share-based payments and the accounting for modification from cash settled awards to equity-settled awards. It also introduces an exception to the principles in HKFRS 2 that requires an award to be treated as if it is wholly equity-entitled, where an employer is obliged to withhold an amount for the employee's tax obligation associated with a share-based payment and pay that amount to the tax authority.

HKFRS 1 "First time adoption of HKFRSs"

The amendment is part of the annual improvements to HKFRSs 2014-2017 cycle. This deletes the short-term exemptions covering transition provisions of HKFRS 7, HKAS 19, and HKFRS 10. These transition provisions were available to entities for passed reporting periods and are therefore no longer applicable.

HKAS 28 "Investments in associates and joint ventures"

The amendment is part of the annual improvements to HKFRSs 2014-2017 cycle. HKAS 28 allows venture capital organisations, mutual funds, unit trusts and similar entities to elect measuring their investments in associates or joint ventures at fair value through profit or loss (FVTPL). This election should be made separately for each associate or joint venture at initial recognition.

HKAS 40 "Transfers of investment property"

The amendment clarified that to transfer to, or from, investment properties there must be a change in use. To conclude if a property has changed use there should be an assessment of whether the property meets the definition. This change must be supported by evidence. A mere change in management's intention, in isolation, is not enough to support a transfer.

HK(IFRIC) 22 "Foreign currency transactions and advance consideration"

HK (IFRIC) 22 is set out in accordance with HKAS 21 The effect of changes in foreign exchange rate requires an entity to record a foreign currency transaction by applying the exchange rate at the date of the transaction. HKAS 21 states that the date of the transaction is the date on which the transaction first qualifies for recognition in accordance with HKFRSs. When an entity pays or receives consideration in advance in a foreign currency, it generally recognises a non-monetary asset or non-monetary liability before the recognition of the related asset, expense or income. HK(IFRIC) 22 addresses how to determine a date of the transaction for the purpose of determining the exchange rate to use an initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

HKFRS 9 "Prepayment Features with Negative Compensation"

The amendment clarifies that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met, instead of at fair value through profit or loss.

HKFRS 16 "Leases"

HKFRS 16 "Leases" addresses the definition of a lease, recognition and measurement of leases and establishes principles for reporting useful information to users of financial statements about the leasing activities of both lessees and lessors. The standard replaces HKAS 17 "Leases", and related interpretations. HKFRS 16 will result in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under this new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not change significantly.

The Company does not expect the adoption of HKFRS 16 on 1 April 2019 would result in significant impact of the Company's financial performance but is expected that certain portion of this lease commitment will be required to be recognised in the statement of financial position as right-to-use assets and lease liabilities upon adoption. As at 31 March 2018, the amount of operating lease commitment of the Company is approximately HK$689,000, of which approximately HK$600,000 will be fallen due not later than one year, and approximately of HK$89,000 will be fallen due after 1 year, but within 5 years.

HKAS 19 "Employee Benefits"

The amendment requires entities to use the updated actuarial assumptions to determine current service cost and net interest for the remainder of the reporting period after a change is made to a plan. The amendment also clarifies how the requirements for accounting for a plan amendment, curtailment or settlement affect the asset ceiling requirements, but does not address the accounting for "significant market fluctuations" in the absence of a plan amendment, curtailment or settlement.

HKAS 28 "Long-term Interest in Associates and Joint Ventures"

The amendment clarifies that companies account for long-term interests in an associate or joint venture, to which the equity method is not applied, using HKFRS 9. In applying HKFRS 9, the entity does not take account of adjustments to the carrying amount of long-term interests that arise from applying this standard.

HK (IFRIC) 23 "Uncertainty over Income Tax Treatments"

The Interpretations Committee clarified how the recognition and measurement requirements of HKAS 12 Income taxes, are applied where there is uncertainty over income tax treatments.

An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that approach will be accepted by the tax authority. HK(IFRIC) 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

HKFRS 10 and HKAS 28 "Sale or contribution of assets between an investor and its associate or joint venture"

The amendments address an inconsistency between HKFRS 10 and HKAS 28 in the sale or contribution of assets between an investor and its associate or joint venture.

A full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if those assets are in a subsidiary.

The Company is in the process of making an assessment of what further impact of these new standards, amendments and interpretations is expected to be in the period of initial application. At this stage, the Company does not intend to adopt these new standards and interpretations before their effective date.

3. GAIN ON INVESTMENTS AND OTHER REVENUES

The Company's gain on investments and other revenues recognised during the year are as follows:

	2018	2017
	HK$'000	*HK$'000*
GAIN ON INVESTMENTS		
Net realised gain on disposal of investments at fair value through profit or loss	**–**	257
Dividend income	**–**	52
	–	309
OTHER REVENUES		
Bank interest income	**12**	13
Exchange gain	**3**	1
Other interest income	**–**	11
	15	25
Total gain on investments and other revenues	**15**	334

4. LOSS BEFORE TAXATION

The Company's loss before taxation is stated after charging the following:

	2018	2017
	HK$'000	*HK$'000*
Auditors' remuneration		
– Audit services	**173**	190
– Non-audit services	**380**	–
Impairment loss on available-for-sale investment	**527**	2,847
Loss on disposal of available-for-sale investment	**1,558**	–
Investment manager fee	**345**	307
Legal and professional fees *(Note)*	**2,153**	357
Depreciation	**12**	–
Operating lease payments	**785**	466
Staff costs (excluding directors' emoluments)		
– Salaries, bonus and allowances	**1,654**	239
– Mandatory provident fund contributions	**26**	9

Note: During the year ended 31 March 2018, legal and professional fees of approximately HK$1,105,000 (2017: HK$200,000) was incurred for the general offer in May 2017.

There was no other exceptional item identified for the years ended 31 March 2018 and 2017.

5. TAXATION

(a) No provision for Hong Kong Profits Tax has been made in these financial statements as the Company has no assessable profits derived from its operation in Hong Kong during the year (2017: Nil).

(b) No provision for overseas tax has been made in these financial statements, as the Company has no profit derived from overseas.

(c) Deferred tax assets are recognised for tax loss carried forward to the extent that the realization of the related tax benefit through utilisation against future taxable profits is probable. At 31 March 2018, the Company had tax losses of approximately HK$43,553,000 (2017: approximately HK$36,243,000) that are available to be carried forward indefinitely for offsetting against future taxable profits. The unused tax losses have not been agreed with the Hong Kong Inland Revenue Department.

No deferred tax asset has been recognised in respect of the unused tax losses due to the unpredictability of future tax profit streams.

(d) Reconciliation between tax expenses and accounting loss at applicable tax rate is as follows:

	2018	2017
	HK$'000	*HK$'000*
Loss before taxation	**(10,438)**	(5,977)
Tax at the applicable rate of 16.5% (2017: 16.5%)	**(1,722)**	(986)
Tax effect of non-taxable income	**(2)**	(13)
Tax effect of non-deductible expenses	**526**	470
Tax effect of temporary difference not recognised	**(8)**	–
Tax effect of tax loss not recognised	**1,206**	529
Total income tax	**–**	–

6. DIVIDEND

The directors of the Company do not propose any dividend for the year ended 31 March 2018 (2017: Nil).

7. LOSS PER SHARE

The calculation of loss per share is based on the following information:

	2018	2017
	HK$'000	*HK$'000*
Net loss attributable to shareholders	**(10,438)**	(5,977)

	2018	2017
Number of weighted average of ordinary shares in issue ('000)	**172,800**	172,800

The Company has no potential dilutive ordinary shares that were outstanding during the year.

8. AVAILABLE-FOR-SALE INVESTMENTS

	2018 *HK$'000*	2017 *HK$'000*
Investment securities, at cost:		
Equity securities, unlisted shares	**10,985**	15,340
Less: Provision for impairment loss	**(1,307)**	(780)
	9,678	14,560
Investments in limited partnerships, at cost	**13,393**	13,393
Less: Provision for impairment loss	**(9,392)**	(9,392)
	4,001	4,001
Total available-for-sale investments	**13,679**	18,561
Less: Current portion	**(13,679)**	–
Non-current portion	**–**	18,561

During the year, the available-for-sale investments have been reclassified to current assets as the Company intends to divest these investments to raise working capital for other potential investments.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING RESULTS

For the year ended 31 March 2018 (the "Year"), Grand Investment International Ltd. (the "Company") recorded a loss for the year of approximately HK$10,438,000 (2017: loss of approximately HK$5,977,000), representing an increase in loss for the year of approximately HK$4,461,000 as compared with the year ended 31 March 2017. The increase in loss was mainly due to the increase in administrative expenses to approximately HK$8,368,000 for the Year (2017: HK$3,464,000). Such increase in administrative expenses was attributed to the additional legal and professional fees of approximately HK$1,105,000 incurred for the General Offer (as defined in the "Significant Events During the Year" section below) in May 2017 and the increase in staff costs (excluding directors' emoluments) by approximately HK$1,432,000. The increase in loss was also attributed to the loss on disposal of available-for-sale investment of approximately HK$1,558,000 and the provisions for impairment loss on available-for-sale investment of approximately HK$527,000 made during the Year. The Company had no gain on investments this Year (2017: HK$309,000) and recorded other revenues of approximately HK$15,000 for the Year (2017: HK$25,000).

SIGNIFICANT EVENTS DURING THE YEAR

On 27 March 2017, Mr. Lee Tak Lun, a former controlling shareholder of the Company, and his controlled companies, namely Grand Finance Group Company Limited and Optimize Capital Investments Limited (collectively, the "Selling Shareholders") entered into a sale and purchase agreement (the "Agreement") with Blue Canary Consulting Group Limited ("Blue Canary"), Renown Future Limited and Treasure Isle Global Limited (collectively, the "Concert Group"), to dispose of their respective equity interests in the Company, representing, in aggregate, approximately 68.02% of the entire issued share capital of the Company as at the date of the Agreement, for a total consideration of HK$213,922,800 (the "Disposal"). The Disposal was duly completed on the same date. Details of the Disposal were disclosed in the announcements of the Company dated 31 March 2017.

Immediately upon completion of the Disposal, the Concert Group became interested in 117,540,000 shares of the Company (the "Shares") in aggregate, representing approximately 68.02% of the entire issued share capital of the Company. Pursuant to Rule 26.1 of the Takeovers Code, the Concert Group was required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned and/or agreed to be acquired by the Concert Group and parties acting in concert with it) (the "General Offer"). Upon the completion of the General Offer on 26 May 2017, Blue Canary received valid acceptances in respect of a total of 40,836,500 shares, representing approximately 23.63% of the entire issued share capital of the Company. As a result, the Concert Group and parties acting in concert with it were interested in an aggregate of 158,376,500 Shares, representing approximately 91.65% of the entire issued share capital of the Company. A total of 28,776,500 shares of the Company, representing approximately 16.65% of the entire issued share capital of the Company were subsequently placed to not less than six placees (the "Placing") through a placing agent appointed by Blue Canary to restore the 25% minimum public float of the Shares of the Company. The Placing was completed on 7 July 2017. Immediately after the completion of the Placing, the Company has fulfilled the 25% minimum public float requirement under Rule 8.08(1)(a) of the Listing Rules. Details of the General Offer were disclosed in the announcements of the Company dated 31 March 2017, 26 May 2017 and 7 July 2017.

PROSPECTS

In May 2017, the General Offer was made to the shareholders of the Company. The change of substantial shareholders has ushered a new era of direction. While our mandate with focus on China has not changed and investment opportunities can be found on and off shore, the Company will embark on a new journey to search for these prospering opportunities. China's economy remains resilient with strong 6.8% year-on-year growth, while manufacturing activities maintains steady state. As such, the Company will continue to look for appropriate investment with sustainable business model and stable earning prospect. Meanwhile, we will continue our efforts in divesting on portfolio companies and finding appropriate buyers for our existing assets. With new management in place, we look forward to having fresh perspectives and initiatives in the coming year.

SIGNIFICANT INVESTMENTS HELD

During the Year, the Company had held the following investments:

Tianjin Yishang Friendship Holdings Co., Ltd. ("Tianjin Yishang")

Tianjin Yishang is a sino-foreign enterprise incorporated in the PRC in year 2006 under a re-organisation whereby Tianjin Yishang Development Company Limited, a state-owned enterprise in the PRC, was converted into Tianjin Yishang. The business activities of Tianjin Yishang and its subsidiaries are to operate department stores in the PRC.

Joyport Holdings Limited ("Joyport")

Joyport is a limited liability company registered in the British Virgin Islands. It is engaged in the business of online game development, distribution and operation including but not limited to massive multiplayer online role-playing games and mobile games, and other related business through its group companies in the PRC.

730 Arizona Avenue II, LLC ("730 Arizona")

730 Arizona is a limited liability company registered in the US that indirectly holds a 40% interest in a commercial building in Santa Monica, California, US (the "Property"). The Property is a four-storey office building which was constructed in 1989 with two floors of underground parking and has a total rental area of approximately 28,822 square feet. The Company has disposed of its equity interests in 730 Arizona during the Year. Details of this disposal are set out in the "Disposal of available-for-sale investment" section below.

CMHJ Technology Fund II, L.P ("CMHJ")

CMHJ is a limited partnership registered pursuant to the Exempted Limited Partnership Law of the Cayman Islands on 28 September 2005. The principal activity of CMHJ is to make venture capital investments, principally by investing in and holding equity and equity-oriented securities of privately held early stage to Pre-IPO companies in the technology-enabled services and products industries with markets and/or operations in the PRC.

Save as disclosed above, the Company did not hold any other significant investment during the Year.

DISPOSAL OF AVAILABLE-FOR-SALE INVESTMENT

On 5 October 2017, the Company entered into a transfer agreement with an independent third party to dispose of the Company's 14.42% equity interests in 730 Arizona for a cash consideration of HK$3,000,000. The disposal was completed in October 2017. Loss on disposal of this investment of approximately HK$1,558,000 was recognized in the statement of comprehensive income for the Year.

FUTURE PLANS RELATING TO MATERIAL INVESTMENT OR CAPITAL ASSET

The Company had not executed any agreement in respect of material investment or capital asset and did not have any other plans relating to material investment or capital asset as at the date of this report. Nonetheless, of any potential investment opportunity arises in the coming future, the Company will perform feasibility studies and prepare implementation plans to consider whether it is beneficial to the Company and the Shareholders as a whole.

EVENT AFTER THE REPORTING PERIOD

On 1 December 2017, the Company entered into a conditional share transfer agreement (the "TJYS Share Transfer Agreement") with an independent third party (the "Purchaser") to dispose of 8,711,964 shares, representing approximately 3.955% of the entire equity interest in Tianjin Yishang held by the Company (the "Sale Interest") at a cash consideration of HK$15,000,000. The disposal of the Sale Interest (the "TJYS Disposal") constituted a very substantial disposal for the Company under the Listing Rules. A special general meeting of the Company was held on 15 February 2018 in which the TJYS Disposal was approved by the shareholders of the Company. On 29 March 2018, the Company and the purchaser mutually agreed to extend the longstop date of the TJYS Share Transfer Agreement from 31 March 2018 to 31 May 2018 as additional time was required for the fulfilment of the conditions precedent to completion of the TJYS Disposal. The completion of the TJYS Disposal took place on 28 May 2018 after the end of the reporting period. Immediately upon completion of the TJYS Disposal, the Company ceased to have any equity interest in Tianjin Yishang. The gain on disposal of this available-for-sale investment of approximately HK$4,300,000 will be recognized in the statement of comprehensive income for the financial year ending 31 March 2019. Details of the TJYS Disposal were disclosed in the announcements of the Company dated 4 December 2017, 30 January 2018, 15 February 2018 and 3 April 2018.

DIVIDEND

The Directors do not recommend the payment of a dividend for the Year (2017: Nil).

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2018, the Company had bank balances of approximately HK$12,639,000 (2017: HK$8,688,000).

The Board believes that the Company has sufficient financial resources to meet its immediate investment and working capital requirements. There was no long term borrowing and calculation of gearing ratio was not applicable (2017: N/A).

As at 31 March 2018, the Company had net assets of approximately HK$19,750,000 (2017: HK$30,188,000).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES

The Company held assets and liabilities denominated in Hong Kong Dollars, Renminbi ("RMB") and US Dollars ("USD"). Accordingly, it is subjected to limited exposure of foreign exchange fluctuation. As it is the Company's policy to maintain relatively minimal exposure to foreign exchange risks, the Company had not used any derivatives and other instruments for currency exchange hedging purposes.

CHARGE ON COMPANY'S ASSETS AND CONTINGENT LIABILITIES

As at 31 March 2018, there was no charge on the Company's assets or any significant contingent liabilities (2017: Nil).

COMMITMENTS

The Company had no capital commitment as at 31 March 2018 (2017: Nil).

CAPITAL STRUCTURE

As at 31 March 2018, the total number of ordinary shares of HK$0.10 each in the Company in issue was 172,800,000 (2017: 172,800,000).

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2018, the Company had 4 employees (2017: 5), including the executive Director. Total staff cost for the Year was approximately HK$2,813,000 (2017: HK$1,311,000).

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

The Company did not purchase, sell or redeem any of its shares during the Year.

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "Annual General Meeting") will be held on 15 August 2018.

CORPORATE GOVERNANCE

During the Year, the Company had complied with the code provisions set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), save and except for code provision A.6.7 as set out below.

Responsibilities of directors

Pursuant to Code Provision A.6.7 of the CG Code, independent non-executive directors and non-executive directors, as equal board members, should attend general meeting of the Company. During the Year, Ms. Ma Yin Fan was unable to attend the annual general meeting of the Company held on 21 July 2017 due to her other business engagement. Besides, Mr. He Luling and Ms. Ma Yin Fan were unable to attend the special general meeting held on 15 February 2018 due to their other business engagements.

SCOPE OF WORK OF EAST ASIA SENTINEL LIMITED

The financial information in respect of this annual results announcement of the Company for the Year have been reviewed and agreed by the Company's auditors, East Asia Sentinel Limited ("East Asia Sentinel"), to the amounts set out in the Company's audited financial statements for the Year. The work performed by East Asia Sentinel in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by East Asia Sentinel on this announcement.

AUDIT COMMITTEE

The Company has established with written terms of reference an audit committee (the "Audit Committee") whose members are Mr. He Luling, being a non-executive Director, Ms. Ma Yin Fan, Ms. Yan Yan and Mr. Xu Yanfa, all being INEDs. Ms. Ma Yin Fan is the chairman of the Audit Committee. The terms of reference of the Audit Committee are consistent with the relevant provisions of the CG Code. The duties of the Audit Committee include reviewing all matters relating to the scope of audit, such as the financial statements, and providing supervision over the Company's financial reporting procedures and internal control and risk management systems.

The Company's audited financial statements for the Year and this announcement have been reviewed by the Audit Committee.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") set out in Appendix 10 to the Listing Rules regarding securities transactions by Directors. Having made specific enquiries to all Directors, the Directors confirmed that they had complied with the required standards laid down in the Model Code throughout the Year.

By order of the Board
Grand Investment International Ltd.
He Luling
Chairman

Hong Kong, 28 June 2018

As at the date of this announcement, the executive director is Ms. Lee Wai Tsang, Rosa; the non-executive director is Mr. He Luling (Chairman); and the independent non-executive directors are Ms. Ma Yin Fan, Ms. Yan Yan and Mr. Xu Yanfa.