ASCENT INTERNATIONAL HOLDINGS LIMITED
中靈國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 264)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2017

The Board of Directors (the "Directors") of Ascent International Holdings Limited (the "Company") is pleased to announce the unaudited results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2017 as follows:–

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2017

		Six months ended	
		30 June 2017	30 September 2016
		Unaudited	Unaudited
	Notes	***HK$'000***	*HK$'000*
Revenue	*4*	**48,322**	51,229
Cost of sales		**(21,437)**	(38,046)
Gross profit		**26,885**	13,183
Other income and gains		**235**	776
Selling and distribution costs		**(11,717)**	(13,984)
Administrative and other operating expenses		**(26,019)**	(11,070)
Loss before income tax expense	*5*	**(10,616)**	(11,095)
Income tax expense	*6*	**(5)**	(357)
Loss for the period attributable to owners of the Company		**(10,621)**	(11,452)

	Notes	Six months ended 30 June 2017 Unaudited HK$'000	30 September 2016 Unaudited HK$'000
Other comprehensive income			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of financial statements of operations outside Hong Kong		**729**	(109)
Other comprehensive income for the period		**729**	(109)
Total comprehensive income for the period attributable to owners of the Company		**(9,892)**	(11,561)
Loss per share			
– Basic	*8*	**(HK3.05 cents)**	(HK3.29 cents)
– Diluted	*8*	**(HK3.05 cents)**	(HK3.29 cents)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2017

	Notes	**30 June 2017 Unaudited** *HK$'000*	31 December 2016 Audited *HK$'000*
Non-current assets			
Property, plant and equipment		**727**	963
Deposits paid		**1,210**	3,260
		1,937	4,223
Current assets			
Inventories		**34,214**	35,512
Trade and bills receivables	*9*	**8,912**	13,131
Other receivables, deposits and prepayments		**4,693**	5,124
Amounts due from fellow subsidiaries		**1,231**	5
Tax recoverable		**274**	265
Bank balances and cash		**26,636**	21,475
		75,960	75,512
Current liabilities			
Trade payables	*10*	**5,821**	5,531
Other payables and accrued charges		**17,935**	13,654
Amount due to a director		**10**	121
Amounts due to fellow subsidiaries		**7,774**	4,180
Amount due to an intermediate holding company		**5,590**	5,590
		37,130	29,076
Net current assets		**38,830**	46,436
Total Net Assets		**40,767**	50,659
Capital and reserves attributable to owners of the Company			
Share capital	*11*	**3,479**	3,479
Reserves		**37,288**	47,180
Total Equity		**40,767**	50,659

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated in the Cayman Islands on 12 April 2002 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited ("Stock Exchange"). As at 30 June 2017, the Company's immediate holding company was Zhurong Global Limited, a company incorporated in the British Virgin Islands; and the directors of the Company consider that its ultimate holding company was Zhonghong Holding Co., Ltd. ("Zhonghong"), a company established in the People's Republic of China (the "PRC") with its shares listed on the Shenzhen Stock Exchange (stock code: 000979), and its ultimate controlling party was Mr. Wang Yonghong, who holds approximately 26.55% of the issued shares of Zhonghong through one of his wholly owned companies. The address of the registered office and principal place of business of the Company are disclosed in the corporate information to the interim report.

Pursuant to a resolution passed by the board of directors of the Company dated 8 December 2016, the Company's financial year end date has been changed from 31 March to 31 December. Accordingly, this is the first interim financial information with a six-month period ended 30 June. The comparative figures for the condensed consolidated statement of comprehensive income and related notes cover a period of six months from 1 April 2016 to 30 September 2016 and are not comparable with those of the current interim period.

The unaudited condensed interim financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

2. BASIS OF PREPARATION

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

3. PRINCIPAL ACCOUNTING POLICIES

The condensed interim financial statements have been prepared under the historical cost convention.

The accounting policies and methods of computation used in the preparation of these condensed interim financial statements are consistent with those used in the annual financial statements for the period from 1 April 2016 to 31 December 2016.

In the current interim period, the Group has applied a number of amendments to Hong Kong Financial Reporting Standards ("HKFRSs") that are first effective for current accounting period of the Group. The adoption of these amendments to HKFRSs has no material impact on the Group's financial statements.

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

HKFRS 9	Financial Instruments[1]
HKFRS 15	Revenue from Contracts with Customers[1]
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)[1]
HKFRS 16	Leases[2]

1 Effective for annual periods beginning on or after 1 January 2018
2 Effective for annual periods beginning on or after 1 January 2019

The Group is in the process of making an assessment of the potential impact of these pronouncements. The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group's accounting policies and financial statements.

4. REVENUE AND SEGMENT INFORMATION

Revenue represents the net amounts received and receivable for (i) goods sold to external customers, less returns and discount, if any, and (ii) property management fees from fellow subsidiaries, during the period.

The principal activities of the Group are manufacture and distribution of leather products, retail of fashion apparel, footwear and leather accessories and provision of property management services.

The Group determines its operating segments based on the reports reviewed by the chief operating decision maker that are used to make strategic decisions.

The Group has three reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

Manufacturing business	–	Manufacture and distribution of leather products
Retail business	–	Retail of fashion apparel, footwear and leather accessories
Property management business	–	Provision of property management services

Inter-segment transactions are priced with reference to prices charged to external parties for similar order. Central revenue and expenses are not allocated to the operating segments as they are not included in the measure of the segments' result that is used by the chief operating decision makers for assessment of segment performance.

	Manufacturing business Six months ended		**Retail business Six months ended**		**Property management business Six months ended**		**Total Six months ended**	
	30 June 2017 Unaudited *HK$'000*	30 September 2016 Unaudited *HK$'000*	**30 June 2017 Unaudited *HK$'000***	30 September 2016 Unaudited *HK$'000*	**30 June 2017 Unaudited *HK$'000***	30 September 2016 Unaudited *HK$'000*	**30 June 2017 Unaudited *HK$'000***	30 September 2016 Unaudited *HK$'000*
Revenue from external customers	**24,740**	35,803	**14,147**	15,426	**9,435**	–	**48,322**	51,229
Inter-segment revenue	**2,519**	4,086	**–**	–	**–**	–	**2,519**	4,086
Reportable segment revenue	**27,259**	39,889	**14,147**	15,426	**9,435**	–	**50,841**	55,315
Reportable segment loss	**(2,695)**	(7,701)	**(875)**	(2,813)	**(227)**	–	**(3,797)**	(10,514)
Elimination of inter-segment losses							**98**	–
Interest income							**38**	27
Unallocated other income and gains							**–**	749
Unallocated corporate expenses *(Note (i))*							**(6,955)**	(1,357)
Loss before income tax expense							**(10,616)**	(11,095)
Income tax expense							**(5)**	(357)
Loss for the period							**(10,621)**	(11,452)

	Manufacturing business Six months ended		Retail business Six months ended		Property management business Six months ended		Total Six months ended	
	30 June 2017	31 December 2016	**30 June 2017**	31 December 2016	**30 June 2017**	31 December 2016	**30 June 2017**	31 December 2016
	Unaudited	Audited	**Unaudited**	Audited	**Unaudited**	Audited	**Unaudited**	Audited
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Reportable segment assets	**54,967**	58,177	**14,039**	14,574	**6,268**	–	**75,274**	72,751
Tax recoverable							**274**	265
Unallocated bank balances and cash							**1,729**	3,969
Other unallocated corporate assets							**620**	2,750
							77,897	79,735
Reportable segment liabilities	**13,258**	14,229	**930**	1,101	**7,244**	–	**21,432**	15,330
Amount due to a director							**10**	121
Amounts due to fellow subsidiaries							**7,774**	4,180
Amount due to an intermediate holding company							**5,590**	5,590
Unallocated corporate liabilities *(Note (ii))*							**2,324**	3,855
							37,130	29,076

Notes:

(i) The amount represented unallocated corporate expenses that are not allocated to operating segments, including professional fees, directors' emoluments, employee costs, foreign exchange loss and other head office expenses.

(ii) The amount represented unallocated deposits received and accrued head office professional fees and staff costs.

5. LOSS BEFORE INCOME TAX EXPENSE

Loss before income tax expense is arrived at after charging:

	Six months ended	
	30 June 2017	30 September 2016
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Cost of inventories recognised as expenses	**21,437**	38,046
Depreciation of property, plant and equipment	**248**	469
Foreign exchange loss, net	**–**	437
Operating lease rentals in respect of land and buildings	**8,012**	9,370
Staff costs (excluding directors' emoluments)	**25,375**	14,284
and crediting:		
Interest income	**38**	27
Foreign exchange gain, net	**37**	–

6. INCOME TAX EXPENSE

	Six months ended	
	30 June 2017	30 September 2016
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Current taxation:		
– PRC enterprise income tax	**5**	357

No provision for Hong Kong profits tax has been made for the period as the Group has sustained estimated tax losses for both periods. The PRC enterprise income tax rate for the Company's subsidiaries in the PRC is 25% (six months ended 30 September 2016: 25%).

7. DIVIDEND

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2017 and 30 September 2016.

8. LOSS PER SHARE

The calculation of basic loss per share is based on the Group's loss for the period of HK$10,621,000 (six months ended 30 September 2016: loss of HK$11,452,000) attributable to owners of the Company and weighted average number of 347,904,000 (six months ended 30 September 2016: 347,904,000) ordinary shares in issue during the period.

For the six months ended 30 June 2017 and 30 September 2016, diluted loss per share is equal to the basic loss per share for the respective periods as there is no potential dilutive ordinary share in issue for the six months ended 30 June 2017 and 30 September 2016.

9. TRADE AND BILLS RECEIVABLES

	30 June 2017	31 December 2016
	Unaudited	Audited
	HK$'000	*HK$'000*
Trade and bills receivables	**9,666**	13,885
Less: impairment loss	**(754)**	(754)
	8,912	13,131

Customers are generally granted with credit terms of 30 to 90 days. The ageing analysis of trade and bills receivables (net of impairment loss) at the end of reporting period is as follows:

	30 June 2017	31 December 2016
	Unaudited	Audited
	HK$'000	*HK$'000*
Less than 30 days	**6,665**	6,291
31-60 days	**1,398**	5,296
61-90 days	**118**	685
91-120 days	**3**	2
121-365 days	**723**	854
More than 365 days	**5**	3
	8,912	13,131

10. TRADE PAYABLES

Details of the ageing analysis are as follows:

	30 June 2017 Unaudited *HK$'000*	31 December 2016 Audited *HK$'000*
Less than 30 days	**2,771**	2,566
31-60 days	**1,924**	1,377
61-90 days	**380**	689
91-120 days	**182**	160
121-365 days	**314**	419
More than 365 days	**250**	320
	5,821	5,531

11. SHARE CAPITAL

Authorised and issued share capital

	Number of shares	**Amount** *HK$'000*
Ordinary shares of HK$0.01 each		
Authorised:		
At 1 April 2016, 31 December 2016, 1 January 2017 and 30 June 2017	2,000,000,000	20,000
Issued and fully paid:		
At 1 April 2016, 31 December 2016, 1 January 2017 and 30 June 2017	347,904,000	3,479

12. CONTINGENT LIABILITIES

The Group had no material contingent liabilities as at 30 June 2017 and 31 December 2016.

13. RELATED PARTY TRANSACTIONS

(a) During the period, the Group had entered into the following transactions with related parties:

	Six months ended	
	30 June 2017	30 September 2016
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Rental expenses paid to Mr. Chan Woon Man and Ms. Tsang Sau Lin for office premises *(Note i)*	**390**	390
Property management fee income charged to fellow subsidiaries	**9,435**	–

Note i: Mr. Chan Woon Man is a director of a subsidiary of the Company. Ms. Tsang Sau Lin is the wife of Mr. Chan Woon Man.

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

	Six months ended	
	30 June 2017	30 September 2016
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Short-term benefits	**1,083**	234
Post employment benefits	**42**	–
	1,125	234

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance

For the six months ended 30 June 2017, the Group's revenue decreased by approximately 5.7% from approximately HK$51,229,000 for the six months ended 30 September 2016 to approximately HK$48,322,000. Gross profit increased by approximately 103.9% from approximately HK$13,183,000 for the six months ended 30 September 2016 to approximately HK$26,885,000 which was mainly due to the gross profit generated from new property management business segment. Gross profit margin also increased from approximately 25.7% for the six months ended 30 September 2016 to approximately 55.6%.

Other income and gains sharply decreased by 69.7% from approximately HK$776,000 for the six months ended 30 September 2016 to approximately HK$235,000 because there was an one off income from selling the waste materials in the reporting period in 2016.

Selling and distribution costs decreased by approximately 16.2% from approximately HK$13,984,000 for the six months ended 30 September 2016 to approximately HK$11,717,000 which was mainly due to the closing of the Tsuen Wan retail store which resulted in lower staff and rental costs. Administrative and other operating expenses increased by approximately 135% from approximately HK$11,070,000 for the six months ended 30 September 2016 to approximately HK$26,019,000 which was mainly due to the expenses (including staff costs and other operating costs) incurred by the new property management business segment.

As a result of the above, the Group recorded a net loss attributable to owners of the Company of approximately HK$10,621,000 for the reporting period (six months ended 30 September 2016: approximately HK$11,452,000). Loss per share for the six months ended 30 June 2017 was HK3.05 cents (six months ended 30 September 2016: HK3.29 cents).

BUSINESS REVIEW

In the reporting period, the three business segments – manufacturing, retailing and property management accounted for approximately 51.2% (six months ended 30 September 2016: approximately 69.9%), approximately 29.3% (six months ended 30 September 2016: approximately 30.1%) and 19.5% (six months ended 30 September 2016: segment not yet launched) of the Group's revenue respectively.

Manufacturing Business

For the six months ended 30 June 2017, revenue of manufacturing business segment from external customers decreased by 30.9% from approximately HK$35,803,000 for the six months ended 30 September 2016 to approximately HK$24,740,000. This was mainly due to the decrease in demand from Hong Kong, PRC and overseas markets.

Geographically, sales to Europe decreased by approximately 37.9% from approximately HK$10,359,000 for the six months ended 30 September 2016 to approximately HK$6,437,000. Sales to the US decreased by approximately 15.3% from approximately HK$7,956,000 for the six months ended 30 September 2016 to approximately HK$6,741,000. Sales in Hong Kong decreased by approximately 51.4% from approximately HK$3,949,000 for the six months ended 30 September 2016 to approximately HK$1,919,000. Sales to PRC decreased by approximately 32.6% from approximately HK$1,939,000 for the six months ended 30 September 2016 to approximately HK$1,306,000. Apart from the major markets, sales to other countries including Australia, Japan, Canada, India, Korea, Singapore and Malaysia, etc. decreased by approximately 28.1% from approximately HK$11,600,000 for the six months ended 30 September 2016 to approximately HK$8,337,000.

In terms of product category, sales of belts decreased by approximately 28.4% to approximately HK$21,510,000 (six months ended 30 September 2016: HK$30,059,000) while sales of leather goods and other accessories decreased by approximately 43.8% to approximately HK$3,230,000 (six months ended 30 September 2016: HK$5,744,000). In view of the weak demand and the operating environment, the Group strived to streamline human resources and reduce other overhead costs. Also, the Group continued to consume the slow-moving inventory. As a result, the Group's manufacturing business segment recorded a lower operating loss of approximately HK$2,695,000 (six months ended 30 September 2016: approximately HK$7,701,000).

Retail Business

The Group's revenue from its retail business decreased by 8.3% from HK$15,426,000 for the six months ended 30 September 2016 to approximately HK$14,147,000. The Group's in-house brand sales decreased by approximately 16.0% and it accounted for approximately 87.9% of total retail sales as compared to approximately 96% during the six months ended 30 September 2016. The decrease was mainly due to the closing of Tsuen Wan AREA 0264 store and the weakening retail market in Hong Kong. High in-house brand sales drove up gross profit margin from approximately 68% to approximately 71%.

The overall shop rental to revenue ratio decreased to 40.8% (six months ended 30 September 2016: 45.1%) due to the closing of Tsuen Wan AREA 0264 store and reduction of the rental costs after renewal of tenancy of other stores. Though one shop was closed, the staff cost to revenue ratio slightly increased to 24.3% (six months ended 30 September 2016: 24%) due to the distribution of Chinese new year bonuses in the current reporting period.

As a consequence of the above, the Group's retail business segment recorded an operating loss of approximately HK$875,000 (six months ended 30 September 2016: approximately HK$2,813,000). During the reporting period, the Group operated eight AREA 0264 stores and one Teepee Leather workshop in Hong Kong (six months ended 30 September 2016: nine AREA 0264 stores and one Teepee Leather workshop).

Property Management Business

In the reporting period, the Group launched the new business segment, property management business, which provided property management services to various property projects of the Group's fellow subsidiaries in PRC. These fellow subsidiaries were subsidiaries of the Company's ultimate holding Company, Zhonghong. The property projects were located in Beijing, Jilin, Zhejiang, Shandong and Changbai Mountain. During the reporting period, the total revenue from this segment was HK$9,435,000 and the loss of this segment was HK$227,000.

Prospect

As the global and local economic outlook remains sluggish and uncertain, the Group continues to streamline the human resources and the production process in order to pursue lower production costs and higher profit margins without compromising on quality. The Group will endeavor to broaden the customer base and sources of revenue.

Though facing weak local demand and keen competition, the Group has renewed the tenancies of most retail stores upon their expiry this year. The Group will contemplate the optimal retail strategy and focus on better product design in order to attract more customers.

In addition to the manufacturing and retail business segments, the Group started to receive property management income in the reporting period. As usual policy, the Group is seeking different business opportunities locally and overseas. Also, the Group is constantly examining the profitability and sustainability of each business segment and may consider whether the corporate structure should be reorganised in order to maximise the shareholders' value.

Liquidity, Financial Resources and Capital Structure

As at 30 June 2017, the Group's cash and bank deposits were approximately HK$26,636,000 as compared to approximately HK$21,475,000 as at 31 December 2016.

The Group recorded total current assets of approximately HK$75,960,000 (31 December 2016: approximately HK$75,512,000) and total current liabilities of approximately HK$37,130,000 (31 December 2016: approximately HK$29,076,000). The increase of total current assets was mainly due to the increase in cash and bank deposits in the reporting period. The current ratio of the Group, calculated by dividing the total currents assets by the total current liabilities, was approximately 2.05 times as at 30 June 2017 (31 December 2016: approximately 2.60 times).

The Group recorded shareholders' funds of approximately HK$40,767,000 (31 December 2016: approximately HK$50,659,000). The decrease was mainly attributable to operating loss incurred in the reporting period.

Treasury Policy

The Group generally finances its operation with internally generated resources. Cash and bank deposits of the Group are mainly denominated in Hong Kong dollars ("HK$"), US dollars ("USD") and Renminbi ("RMB"). Transactions of the Group are mainly denominated in HK$, USD and RMB. As HK$ is pegged to USD, the Group does not expect any significant movements in the USD/HK$ exchange rate. In this regard, the Group does not expose to significant currency risk arising from USD. In addition, it is estimated that the Group's exposure to foreign exchange fluctuation in Renminbi against Hong Kong dollars would have insignificant effects on profit or loss and other component of equity of the Group. Foreign exchange forward contract can be used to eliminate the currency risk exposure. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

Charges on Assets

The Group did not have any assets pledged.

Material Acquisition and Disposal

The Group had no material acquisition or disposal of subsidiaries for the six months ended 30 June 2017.

Human Resources

As at 30 June 2017, the Group had approximately 70 employees in Hong Kong and in the PRC and approximately 340 workers and employees in the PRC. The Group remunerated its employees mainly based on their individual performance.

DIVIDEND

The directors of the Company do not recommend the payment of an interim dividend for the six months ended 30 June 2017.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

CORPORATE GOVERNANCE

The Company has complied with all the code provisions (the "Code Provision(s)") as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules during the six months ended 30 June 2017, except for the deviations from Code Provisions, A.2.1 and C.2.5 of the CG Code. According to Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. During the reporting period, the roles of the chairman and chief executive officer of the Company were performed by Mr. Wu David Hang. Given that the size of the existing management team is small and Mr. Wu David Hang has considerable experience in business development, the Board believes that the current structure will enable us to make and implement decisions promptly and efficiently. The Board will meet regularly to review this structure to ensure that it will not impair the balance of power and authority between the Board and the management of the Group. Under the Code Provision C.2.5 of the CG Code, the Group should have an internal audit function. The Group has reviewed the need for an internal audit department annually. Due to the present company structure, the management of the Company is of the opinion that instead of setting up an internal audit department, it would be more cost effective to engage an independent professional third-party to review the Group's internal control measures and report to the Audit Committee members. The review covered the adequacy of resources, staff qualifications and experience, training programmes, budget, internal audit, financial reporting functions and Listing Rules compliance. Major risk factors and recommendations were presented to the Audit Committee members for their consideration.

The Company will periodically review its corporate governance practices to ensure its continuous compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its code of conduct regarding directors' securities transactions. Having made specific enquiry of all Directors, the Directors have confirmed compliance with the required standard set out in the Model Code during the six months ended 30 June 2017.

The Company has also adopted a code of conduct regarding securities transactions by relevant employees on terms no less exacting than the required standard set out in the Model Code. All the relevant employees who, because of office or employment, are likely to be in possession of inside information in relation to the Company's securities has been requested to follow such code when dealing in the securities of the Company.

AUDIT COMMITTEE

The Audit Committee comprises three independent non-executive Directors, Mr. Ng Man Fai Matthew (Chairman), Mr. Wong Yik Chung John, and Mr. Ernst Rudolf Zimmermann. The Audit Committee has reviewed with Group's management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters, including a review of the unaudited consolidated interim financial statements and the results of the Group for the six months ended 30 June 2017.

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This results announcement is published on the websites of the Company (http://www.irasia.com/listco/hk/ascent/index.htm) and the Stock Exchange (www.hkex.com.hk). An interim report for the six months ended 30 June 2017 containing all the information required by the Listing Rules will be dispatched to shareholders of the Company and available on the same websites in due course.

By order of the Board
Wu David Hang
Chairman

Hong Kong, 29 August 2017

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Wu David Hang and Mr. Hou Jian; one non-executive Director, namely Mr. Lui Kwok Wai; and three independent non-executive Directors, namely Mr. Wong Yik Chung John, Mr. Ernst Rudolf Zimmermann and Mr. Ng Man Fai Matthew.

The directors of the Company jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.