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 2017

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 2017 (the "Year") together with the comparative figures for the year ended 31 March 2016 are as follows:

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2017

	NOTE	**2017** **HK$'000**	2016 HK$'000
GAIN/(LOSS) ON INVESTMENTS	*3*	**309**	(1,349)
OTHER REVENUES	*3*	**25**	35
IMPAIRMENT LOSS ON AVAILABLE-FOR-SALE INVESTMENTS		**(2,847)**	(7,325)
ADMINISTRATIVE EXPENSES		**(3,464)**	(3,283)
LOSS BEFORE TAXATION	*4*	**(5,977)**	(11,922)
TAXATION	*5(d)*	**–**	–
LOSS FOR THE YEAR		**(5,977)**	(11,922)
OTHER COMPREHENSIVE INCOME		**–**	–
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(5,977)**	(11,922)
DIVIDEND	*6*	**–**	–
LOSS PER SHARE	*7*		
Basic: For loss for the year		**(HK$0.03)**	(HK$0.07)
Diluted: For loss for the year		**N/A**	N/A

* *For identification purposes only*

STATEMENT OF FINANCIAL POSITION

As at 31 March 2017

	2017	2016
	HK$'000	*HK$'000*
NON-CURRENT ASSETS		
Available-for-sale investments	**18,561**	25,456
CURRENT ASSETS		
Investments at fair value through profit or loss	**–**	3,818
Deposits, other receivables and prepayments	**3,102**	769
Cash and cash equivalents	**8,688**	6,309
TOTAL CURRENT ASSETS	**11,790**	10,896
CURRENT LIABILITIES		
Other payables and accruals	**163**	187
TOTAL CURRENT LIABILITIES	**163**	187
NET CURRENT ASSETS	**11,627**	10,709
NET ASSETS	**30,188**	36,165
CAPITAL AND RESERVES		
Share capital	**17,280**	17,280
Reserves	**12,908**	18,885
TOTAL EQUITY	**30,188**	36,165
NET ASSET VALUE PER SHARE	**HK$0.17**	HK$0.21

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 A301, 32/F., United Centre, 95 Queensway, 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 ("the Listing Rules") on the Stock Exchange and the disclosure requirements of the Hong Kong Companies Ordinance.

These financial statements have been prepared under the historical cost convention, except that investments at fair value through profit or loss are stated at fair value as explained in the accounting policies set out below.

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 amendments to standards have been adopted by the Company for the first time for the financial year beginning on or after 1 April 2016:

– Accounting for acquisitions of interests in joint operations – Amendments to HKFRS 11

– Clarification of acceptable methods of depreciation and amortization – Amendments to HKAS 16 and HKAS 38

– Annual improvements to HKFRSs 2012-2014 cycle, and

– Disclosure initiative – amendments to HKAS 1

The adoption of these amendments did not have any impact on the current period or any prior period and is not likely to affect future periods.

(b) New standards and interpretations not yet adopted

Up to the date of issue of these financial statements, the HKICPA have issued a number of new standards, amendments to standards and interpretations which are effective for the Company's annual financial periods beginning after 1 April 2017, and which have not been adopted in preparing these financial statements. These include the following new standards which may be relevant to the Company.

	Effective for accounting periods beginning on or after
HKAS 7 "Disclosure initiative – amendment"	1 January 2017
HKAS 12 "Recognition of deferred tax assets for unrealized losses – amendment"	1 January 2017
HKFRS 15 "Revenue from contracts with customers"	1 January 2018
Amendments to HKFRS 15 "Clarifications to HKFRS 15 Revenue from contracts with customers"	1 January 2018
HKFRS 9 "Financial instruments"	1 January 2018
Annual improvements to HKFRSs 2014-2016 cycle	1 January 2018
HKFRS 16 "Leases"	1 January 2019

HKAS 7 "Disclosure initiative – amendment"

The HKICPA has issued an amendment to HKAS 7 introducing an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the HKICPA's Disclosure Initiative, which continues to explore how financial statements disclosure can be improved.

HKAS 12 "Recognition of deferred tax assets for unrealized losses – amendment"

The HKICPA has issued amendments to HKAS 12 "Income taxes". These amendments on the recognition of deferred tax assets for unrealised losses clarify how to account for deferred tax assets related to debt instruments measured at fair value.

HKFRS 15 "Revenue from Contracts with Customers"

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. The mandatory effective date of HKFRS 15 is 1 January 2018. The Company is currently assessing the impact of HKFRS 15 upon adoption.

HKFRS 9 "Financial Instruments"

In September 2014, the HKICPA issued the final version of HKFRS 9, which reflects all phases of the financial instruments project and replaces HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Company expects that the adoption of HKFRS 9 will have an impact on the classification and measurement of the Company's financial assets but no impact on the classification and measurement of the Company's financial liabilities.

HKFRS 16 "Leases"

HKFRS 16 supersedes HKAS 17 "Leases", HK(IFRIC) – Int 4 "Determining whether an Arrangement contain a Lease", HK(SIC) – Int 15 "Operating Lease – Incentives" and HK(SIC) – Int 27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease". HKFRS 16 eliminates the classification by a lessee of leases as either operating or finance. Instead all leases are treated in a similar way to finance leases in accordance with HKAS 17 "Leases". Under HKFRS 16, leases are recorded on the statement of financial position by recognising a liability for the present value of its obligation to make future lease payments with an asset (comprised of the amount of lease liability plus certain other amounts) either being disclosed separately in the statement of financial position (within right-of-use assets) or together with property, plant and equipment. The most significant effect of the new requirements will be an increase in recognised lease assets and financial liabilities. There are some exemptions.

HKFRS 16 contains options which do not require a lessee to recognise assets and liabilities for (a) short term leases (i.e. lease of 12 months or less, including the effect of any extension options) and (b) leases of low value assets (for example, a lease of a personal computer). HKFRS 16 substantially carries forward the lessor's accounting requirements in HKAS 17. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. In classifying a sub-lease, an intermediate lessor shall classify the sub-lease as a finance lease or an operating lease as follows: (a) if the head lease is a short-term lease that the entity, as a lessee, the sub-lease shall be reclassified as an operating lease; (b) otherwise, the sub-lease shall be classified by reference to the right-of-use asset arising from the head lease, rather than by reference to the underlying asset. HKFRS 16 clarifies that a lessee separates lease components and service components of a contract, and applies the lease accounting requirements only to the lease components. The Company is in the process of making an assessment of the potential impact of application of HKFRS 16, the directors consider that it is not practicable to provide a reasonable estimate of the effect of the adoption of HKFRS 16 until the Company performs a detailed review.

The Company is in the process of making an assessment of what the impact of these new and amended standards is expected to be in the period of initial application. So far, it has concluded that the adoption of them is unlikely to have a significant impact on the Company's results of operations and financial position.

There are no HKFRSs interpretations that are not yet effective that would be expected to have a material impact on the Company.

3. GAIN/(LOSS) ON INVESTMENTS AND OTHER REVENUES

The Company's gain/(loss) on investments and other revenues recognised during the year are as follows:–

	2017	2016
	HK$'000	*HK$'000*
GAIN/(LOSS) ON INVESTMENTS		
Net unrealised loss on investments at fair value through profit or loss	**–**	(1,154)
Net realised gain/(loss) on disposal of investments at fair value through profit or loss	**257**	(253)
Dividend income	**52**	58
	309	(1,349)
OTHER REVENUES		
Bank interest income	**13**	35
Exchange gain	**1**	–
Other interest income	**11**	–
	25	35
Total gain/(loss) on investments and other revenues	**334**	(1,314)

4. LOSS BEFORE TAXATION

The Company's loss before taxation is stated after charging/(crediting) the following:–

	2017	2016
	HK$'000	*HK$'000*
Auditors' remuneration		
– Audit Services	**190**	171
Impairment losses on an available-for-sale investment	**2,847**	7,325
Investment manager fee	**307**	288
Exchange (gain)/loss, net	**(1)**	88
Legal and professional fee	**357**	233
Operating lease payments	**466**	406
Staff costs (excluding directors' emoluments)		
– Salaries, bonus and allowances	**239**	231
– Mandatory provident fund contributions	**9**	8

There is no exceptional item identified for the years ended 31 March 2017 and 2016.

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 (2016: Nil).

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

(c) The Company had an unrecognised deferred tax asset as follows:

	2017	2016
	HK$'000	*HK$'000*
Unrecognised deferred tax asset	**6,013**	5,485

The deferred tax asset mainly represents the full tax effect of timing differences arising from cumulative tax losses carried forward. This deferred tax asset has not been recognised in the financial statements as, in the opinion of directors, it is not probable to determine that this deferred tax asset can be utilised in the foreseeable future. These unused tax losses have no expiry date.

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

	2017	2016
	HK$'000	*HK$'000*
Loss before taxation	**(5,977)**	(11,922)
Tax at the applicable rate of 16.5% (2016: 16.5%)	**(986)**	(1,967)
Tax effect of non-taxable income	**(13)**	(15)
Tax effect of non-deductible expenses	**470**	1,208
Tax effect of tax loss not recognised	**529**	774
Total income tax	**–**	–

6. DIVIDENDS

The directors of the Company ("Directors", each a "Director") do not propose any dividend for the year ended 31 March 2017 (2016: Nil).

7. LOSS PER SHARE

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

	2017	2016
	HK$'000	*HK$'000*
Net loss attributable to shareholders	**(5,977)**	(11,922)

	2017	2016
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.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATING RESULTS

For the year ended 31 March 2017 (the "Year"), the Company recorded an overall loss of approximately HK$5,977,000 (2016: overall loss of approximately HK$11,922,000), comprising a net realised gain on disposal of investments of approximately HK$257,000 (2016: net realised loss of approximately HK$253,000) and no net unrealised gain/loss on investments (2016: net unrealised loss on investments of approximately HK$1,154,000). The Company also recorded other revenues of approximately HK$25,000 (2016: HK$35,000).

PROSPECTS

Given the change in the shareholding structure of the Company, new directions and investment prospects are in the pipeline. We will continue to target investments with strong earning prospect and business model that will bring shareholders the most optimal return.

LIQUIDITY AND FINANCIAL RESOURCES

As of 31 March 2017, the Company had bank balances of approximately HK$8,688,000 (2016: HK$6,309,000).

The board (the "Board") of directors (the "Directors") concludes that the Company has sufficient financial resources to satisfy its immediate investment and working capital requirements. There was no long term borrowing and calculation of gearing ratio was not applicable (2016: N/A).

The Company had net assets of approximately HK$30,188,000 (2016: HK$36,165,000).

CAPITAL EXPENDITURES AND COMMITMENTS

The Company had no capital commitments as at 31 March 2017 (2016: N/A).

CAPITAL STRUCTURE

As at 31 March 2017, the total number of ordinary shares of HK$0.10 each in the Company (the "Shares") in issue was 172,800,000 (2016: 172,800,000).

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.

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2017, the Company had 5 employees (2016: 6), including the executive Directors. Total staff cost for the Year was HK$1,311,000 (2016: HK$1,242,000).

DIVIDENDS

The Directors do not recommend the payment of a dividend for the Year (2016: Nil).

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "Annual General Meeting") will be held on 21 July 2017.

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").

AUDIT COMMITTEE

The Company has established with written terms of reference an audit committee (the "Audit Committee") whose members are Mr. Lu Fan, Dr. Chow Yunxia, Carol and Mr. Lam Chi Wai, all being INEDs. Mr. Lu 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 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 ended 31 March 2017 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 as the code of conduct 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.
Lee Wai Tsang Rosa
Chairman

Hong Kong, 15 June 2017

As at the date of this announcement, the Board comprises six directors of the Company, of which three are executive directors, namely Ms. Lee Wai Tsang, Rosa (Chairman), Dr. Huang Zhijian and Mr. Lee Wai Wang, Robert, and three are independent non-executive directors, namely Mr. Lu Fan, Dr. Chow Yunxia, Carol and Mr. Lam Chi Wai.