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**Core Economy Investment Group Limited**  
**核心經濟投資集團有限公司**

*(Continued into Bermuda with limited liability)*

**(Stock Code: 339)**

**INTERIM RESULTS ANNOUNCEMENT**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2019**

The board (the “Board”) of directors (the “Directors”, and each, a “Director”) of Core Economy Investment Group Limited (the “Company”, together with its subsidiaries, the “Group”) is pleased to present the unaudited consolidated interim results of the Group for the six months ended 30 June 2019, together with the comparative figures for the corresponding period of 2018 as follows:

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

*For the six months ended 30 June 2019*

		(Unaudited)	
		Six months ended 30 June	
	<i>Note</i>	2019	2018
		<i>HK\$</i>	<i>HK\$</i>
<b>Revenue</b>	4	<b>62,944</b>	58,076
Net change in fair value of financial assets at fair value through profit or loss	5	<b>641,413</b>	(480,073)
Administrative and other operating expenses		<b>(5,509,150)</b>	(4,990,061)
<b>Loss from operations</b>		<b>(4,804,793)</b>	(5,412,058)
Finance costs		<b>(82,171)</b>	–
<b>Loss before tax</b>		<b>(4,886,964)</b>	(5,412,058)
Income tax	6	–	–
<b>Loss for the period attributable to owners of the Company</b>	7	<b>(4,886,964)</b>	(5,412,058)
<b>Other comprehensive income for the period, net of tax:</b>			
<i>Item that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		<b>(635)</b>	–
<b>Total comprehensive income for the period attributable to owners of the Company</b>		<b>(4,887,599)</b>	(5,412,058)
<b>Loss per share</b>			
Basic	9	<b>(0.031)</b>	(0.039)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2019

	<i>Note</i>	(Unaudited) 30 June 2019 HK\$	(Audited) 31 December 2018 HK\$
<b>Non-current assets</b>			
Property, plant and equipment		176,957	227,254
Right-of-use asset		5,273,179	–
		5,450,136	227,254
<b>Current assets</b>			
Financial assets at fair value through profit or loss		5,183,108	4,804,779
Prepayments, deposits and other receivables		1,316,824	509,259
Cash and cash equivalents		30,139,541	25,704,886
		36,639,473	31,018,924
<b>Current liabilities</b>			
Accrual and other payables		118,000	564,311
Lease liability		3,239,196	–
		3,357,196	564,311
<b>Net current assets</b>		33,282,277	30,454,613
<b>Total assets less current liabilities</b>		38,732,413	30,681,867
<b>Non-current liabilities</b>			
Lease liability		1,930,201	–
<b>NET ASSETS</b>		36,802,212	30,681,867
<b>Equity attributable to owners of the Company</b>			
Share capital		3,340,000	2,784,000
Reserves		33,462,212	27,897,867
<b>TOTAL EQUITY</b>		36,802,212	30,681,867
<b>Net asset value per share</b>	10	0.22	0.22

## **NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

*For the six months ended 30 June 2019*

### **1. CORPORATE INFORMATION**

Core Economy Investment Group Limited (the “Company”) was continued into Bermuda as an exempted company with limited liability under the Bermuda Companies Act 1981. The address of its registered office is Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda. The address of its principal place of business is Suites 04 & 05, 19/F., Harbour Centre, 25 Harbour Road, Wanchai, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Company acts as an investment holding company and its principal activity is investment and trading of listed and unlisted equity securities. The Company and its subsidiaries are collectively referred to as the “Group”.

### **2. BASIS OF PREPARATION**

These condensed consolidated interim financial statements have not been audited.

These condensed consolidated interim financial statements for the six months ended 30 June 2019 (the “Period”) have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

These condensed consolidated interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the 2018 annual financial statements. The accounting policies (including the key sources of estimation uncertainty) and methods of computation used in the preparation of these condensed consolidated interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2018 except as stated below.

### **3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1 January 2019. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group has initially adopted HKFRS 16 Leases from 1 January 2019. A number of other new standards are effective from 1 January 2019 but they do not have a material effect on the Group’s consolidated financial statements.

#### **HKFRS 16 Leases**

HKFRS 16 supersedes HKAS 17 Leases, HK (IFRIC) Interpretation (“IFRIC”) 4 Determining whether an Arrangement contains a Lease, Hong Kong (SIC) Interpretation (“SIC”) 15 Operating Leases-Incentives and SIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. HKFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, the Group, as a lessee, has recognised right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments.

The Group has applied HKFRS 16 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in accumulated losses at 1 January 2019. Accordingly, the comparative information presented for 2018 has not been restated – i.e. it is presented, as previously reported, under HKAS 17 and related interpretations. The details of the changes in accounting policies are disclosed below.

(a) *Definition of a lease*

Previously, the Group determined at contract inception whether an arrangement was or contained a lease under IFRIC 4 Determining Whether an Arrangement contains a Lease. The Group now assesses whether a contract is or contains a lease based on the new definition of a lease. Under HKFRS 16, a contract is, or contains, a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

On transition to HKFRS 16, the Group elected to apply the practical expedient to grandfather the assessment of which transactions are leases. It applied HKFRS 16 only to contracts that were previously identified as leases. Contracts that were not identified as leases under HKAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which it is a lessee, the Group has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

(b) *As a lessee*

The Group leases an office property as its principal place of business.

As a lessee, the Group previously classified its lease as operating or finance leases based on its assessment of whether the lease transferred substantially all of the risks and rewards of ownership. Under HKFRS 16, the Group recognises a right-of-use asset and a lease liability for its lease of the office property.

At 30 June 2019, the recognised right-of-use asset related to the office property amounted to HK\$5,273,179 (At 1 January 2019: HK\$6,895,695).

*Significant accounting policies*

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Group has applied judgement to determine the lease term for the lease contract in which it is a lessee that includes a renewal option. The assessment of whether the Group is reasonably certain to exercise such option impacts the lease term, which significantly affects the amount of lease liability and right-of-use asset recognised.

#### *Transition*

Previously, the Group classified its office property lease as an operating lease under HKAS 17. The lease runs for a period of 26 months and includes an option to renew the lease for an additional 10 months after the end of the non-cancellable period.

At transition, for the lease classified as an operating lease under HKAS 17, a lease liability was measured at the present value of the remaining lease payments, discounted at the Group's incremental borrowing rate as at 1 January 2019. A right-of-use asset is measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group used the following practical expedients when applying HKFRS 16 to the lease previously classified as an operating lease under HKAS 17.

- Applied the exemption not to recognise right-of-use asset and liability for leases with less than 12 months of lease term.
- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

(c) *Impacts of financial statements*

*Impact on transition*

On transition to HKFRS 16, the Group recognised an additional right-of-use asset and an additional lease liability. The change in accounting policy affected the following items on the condensed consolidated statement of financial position (increase/(decrease)) as at 1 January 2019 is summarised below.

	<b>1 January 2019</b> <b>HK\$</b>
<b>Assets</b>	
Right-of-use asset	6,895,695
Prepayment	<u>(139,113)</u>
<b>Total assets</b>	<b><u>6,756,582</u></b>
<b>Liabilities</b>	
Lease liability	<u>(6,756,582)</u>
<b>Total liabilities</b>	<b><u>(6,756,582)</u></b>

When measuring a lease liability for the lease that was classified as an operating lease, the Group discounted lease payments using its incremental borrowing rate at 1 January 2019. The rate applied is 2.729%.

	<b>1 January 2019</b> <b>HK\$</b>
Operating lease commitments at 31 December 2018 as disclosed in the Group's consolidated financial statements	<u>7,080,852</u>
<b>Discounted using the incremental borrowing rate at initial application and lease liability recognised as at 1 January 2019</b>	<b><u>6,756,582</u></b>
Of which are:	
Current lease liability	3,195,882
Non-current lease liability	<u>3,560,700</u>
	<b><u>6,756,582</u></b>

*Impacts for the Period*

As a result of initially applying HKFRS 16, in relation to the lease that was previously classified as an operating lease, the Group recognised right-of-use asset of HK\$5,273,179 and lease liability of HK\$5,169,397 as at 30 June 2019.

Also in relation to the lease under HKFRS 16, the Group has recognised depreciation and finance costs, instead of operating lease expenses. During the six months ended 30 June 2019, the Group recognised depreciation charge of HK\$1,622,517 and finance costs of HK\$82,171 from the lease.

#### 4. REVENUE AND SEGMENT INFORMATION

	<b>(Unaudited)</b>	
	<b>Six months ended 30 June</b>	
	<b>2019</b>	<b>2018</b>
	<b>HK\$</b>	<b>HK\$</b>
Dividend income from listed securities	<b>44,577</b>	56,171
Bank interest income	<b>13,843</b>	1,249
Other interest income	<b>4,524</b>	656
	<hr/>	<hr/>
Revenue	<b>62,944</b>	58,076
	<hr/> <hr/>	<hr/> <hr/>
Proceeds from disposals of financial assets at fair value through profit or loss	<b>263,084</b>	–
	<hr/> <hr/>	<hr/> <hr/>

No segment information is presented as all of the revenue and contribution to operating results, assets and liabilities of the Group are attributable to investment activities which are carried out or originated principally in Hong Kong.

#### 5. NET CHANGE IN FAIR VALUE OF FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	<b>(Unaudited)</b>	
	<b>Six months ended 30 June</b>	
	<b>2019</b>	<b>2018</b>
	<b>HK\$</b>	<b>HK\$</b>
Net realised gains on disposals of financial assets at fair value through profit or loss	<b>1,242</b>	–
Net unrealised gains/(losses) on financial assets at fair value through profit or loss	<b>640,171</b>	(480,073)
	<hr/>	<hr/>
	<b>641,413</b>	(480,073)
	<hr/> <hr/>	<hr/> <hr/>

#### 6. INCOME TAX

No provision for Hong Kong Profits Tax is required since the Company has no assessable profit for the Period (2018: Nil).

As at 30 June 2019, the Group has unused tax losses of HK\$67,567,490 (At 31 December 2018: HK\$62,162,754) available to offset against future profits. No deferred tax asset has been recognised in the condensed consolidated interim financial statements due to the unpredictability of future profit streams.

## 7. LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group's loss for the Period attributable to owners of the Company is arrived after charging the following:

	(Unaudited)	
	Six months ended 30 June	
	2019	2018
	<i>HK\$</i>	<i>HK\$</i>
Depreciation	1,681,294	57,929
Directors' emoluments		
– Fees	837,548	360,000
Investment management fee ( <i>Note 8</i> )	360,000	360,000
Operating lease charges – land and buildings	–	1,435,230
	<u>                    </u>	<u>                    </u>

## 8. CONTINUING CONNECTED TRANSACTIONS

The Company entered into an investment management agreement with China Everbright Securities (HK) Limited (“CES”) for the provision of investment management services to the Company of a period of two years from 12 May 2016 at investment management fee of HK\$60,000 per month payable monthly in arrears. On 11 May 2018, the Company entered into a new investment management agreement with CES to extend the terms for a further period of two years from 12 May 2018 to 11 May 2020 with the monthly fee and payment term remain unchanged. During the Period, the investment management fee of HK\$360,000 was paid to CES.

Rule 14A.08 of the Listing Rules provides that where a listed company is an investment company listed under Chapter 21 of the Listing Rules, its connected persons also include an investment manager. Accordingly, the provision of investment management services by CES to the Company under the above-mentioned investment management agreements constitutes continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

## 9. LOSS PER SHARE

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the Period attributable to owners of the Company of HK\$4,886,964 (2018: HK\$5,412,058) and the weighted average number of ordinary shares of 158,552,487 (2018: 139,200,000) in issue during the Period.

No diluted loss per share is presented as the Company did not have any dilutive potential ordinary shares during the six months ended 30 June 2019 and 2018.

## 10. NET ASSET VALUE PER SHARE

The calculation of the net asset value per share is based on the net assets of the Group as at 30 June 2019 of HK\$36,802,212 (At 31 December 2018: HK\$30,681,867) and the number of ordinary shares of 167,000,000 (At 31 December 2018: 139,200,000) in issue as at that date.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Results

During the Period, the Group recorded a turnover of approximately HK\$63,000 (2018: Approximately HK\$58,000), loss attributable to owners of the Company of approximately HK\$4,887,000 (2018: Approximately HK\$5,412,000) and basic loss per share of HK\$0.031 (2018: HK\$0.039). The turnover recorded in the Period is generated from dividend income from listed investments as well as bank and other interest income. The increased in turnover was mainly attributable to increase in bank and other interest income received during the Period.

The Group's administrative and other operating expenses amounted to approximately HK\$5,509,000 (2018: Approximately HK\$4,990,000). The Group recorded a gain on net change in fair value of financial assets at fair value through profit or loss for the Period of approximately HK\$641,000 as compared with the loss of approximately HK\$480,000 in the corresponding period of previous year. The decrease in net loss was mainly driven by increase in gain on net change in fair value of financial assets at fair value through profit or loss.

### Interim Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2019 (2018: HK\$ Nil).

### Business Review

In the past few months, US-China trade tension has been accelerated and will definitely hinder cross-border business activities. The Brexit negotiation remains highly uncertain. In Hong Kong, the controversial extradition bill that sparked massive protests could potentially damage the economy. Global investors are pessimistic about 2019 as expected. Currently, the Group has kept its existing investment portfolio during the Period but will continue to pursue for various investment opportunities to enhance the investment portfolio value.

The Group's portfolio of listed securities as at 30 June 2019 consisted of China Resources Land Limited, Ping An Insurance (Group) Company of China, Limited, Sunac China Holdings Limited, China Overseas Land & Investment Limited, Sun Hung Kai Properties Limited, CK Asset Holdings Limited, China Pacific Insurance (Group) Company Limited, The Wharf (Holdings) Limited, China Taiping Insurance Holdings Company Limited, New China Life Insurance Company Limited, HSBC Holdings Plc, China Life Insurance Company Limited, CK Hutchison Holdings Limited, Tianjin Development Holdings Limited, Enterprise Products Partners L.P. and Energy Transfer L.P..

As at 30 June 2019, approximately 12% (At 31 December 2018: 15%) of the Group's total investments consisted of a portfolio of listed securities, 3% (At 31 December 2018: 2%) in other assets, 13% (At 31 December 2018: 1%) in non-current assets which consist of 1% (At 31 December 2018: 1%) in property, plant and equipment and 12% (At 31 December 2018: Nil) in right-of-use asset respectively; and 72% (At 31 December 2018: 82%) in cash which was deposited with banks and a financial institute in Hong Kong.

## Liquidity, Financial Resources and Funding

The Group mainly relies upon shareholders' funds, funds from placing of shares and cash generated from its business operations to finance its operation and expansion. The Group maintained a strong cash position, cash and cash equivalents amounting to HK\$30,139,541 as at 30 June 2019 (At 31 December 2018: HK\$25,704,886). As at 30 June 2019, the consolidated net asset value of the Group was HK\$36,802,212 (At 31 December 2018: HK\$30,681,867) with consolidated net asset value per share of HK\$0.22 (At 31 December 2018: HK\$0.22).

On 25 February 2019, a total of 27,800,000 new shares (the "Placing Shares") of nominal value of HK0.02 each in the share capital of the Company were successfully placed under the General Mandate by the placing agent to one placee, namely Sun Oxford Co., Limited, a company incorporated in Hong Kong with limited liability, at the placing price (the "Placing Price") of HK\$0.4 per the Placing Share pursuant to the terms and conditions of the placing agreement (the "Placing Agreement") and the supplemental placing agreement on 25 January 2019 and 12 February 2019 respectively.

The Placing Price of HK\$0.4 per Placing Share represents (i) a discount of approximately 6.98% to the closing price of HK\$0.43 per share as quoted on the Stock Exchange on 25 January 2019, being the date of the Placing Agreement; and (ii) a discount of approximately 6.98% to the average of the closing prices of HK\$0.43 per share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement. The aggregate of 27,800,000 new shares of the Company represents 19.97% of issued share capital of the Company immediately before the completion of the placing and approximately 16.65% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares. Details of the placing of shares was set out in the Company's announcements dated 25 January 2019, 12 February 2019 and 25 February 2019 respectively. To the best knowledge, information and belief of the Company having made such reasonable enquiry and as informed by the placing agent, the placee and its ultimate beneficial owner(s) are independent third parties and not connected with the Company and its connected person as at the date of completion.

The gross and net proceeds were approximately HK\$11,120,000 and HK\$11,000,000 respectively. The net placing price per share was approximately HK\$0.396. Of the net proceeds, the Company intends to use (i) approximately HK\$5,500,000 for future investment and business development (the "Investment Fund"); and (ii) approximately HK\$5,500,000 as general working capital of the Company (the "General Working Capital Fund"). During the Period, the Group had utilized approximately HK\$4,000,000 General Working Capital Fund and kept the Investment Fund unused.

The Group has no significant liabilities. The Group's accrual and other payables amounted to HK\$118,000 as at 30 June 2019 (At 31 December 2018: HK\$564,311) and a lease liability amounted to HK\$5,169,397 (At 31 December 2018: Nil). The Group has recognised a right-of-use asset and a lease liability for the office property lease contract. Further details have been set out in note 3 of the condensed consolidated financial statements. The gearing ratio of the Group, calculated on the basis of the Group's total liabilities over total owners' equity, was 0.14 as at 30 June 2019 (At 31 December 2018: 0.018).

## **Capital Structure**

The capital of the Group comprises only ordinary shares as at 30 June 2019 and 31 December 2018. There was no change on the Group's overall capital structure for the six months ended 30 June 2019.

## **Capital Expenditures**

The Group's capital expenditures primarily consisted of expenditures on acquisition of computer equipment, furniture and fixtures and office equipment. During the six months ended 30 June 2019, the Group incurred capital expenditure in the amount of HK\$8,480 (2018: HK\$11,898).

## **Capital Commitments**

As at 30 June 2019, the Group did not have any significant capital commitments (At 31 December 2018: Nil).

## **Foreign Exchange Exposure**

The Board believes that the Group has certain exposure to foreign exchange risk as some of the business transactions of the Group are denominated in Renminbi, Singapore dollars and United States dollars. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Board will monitor the foreign currency exposure closely.

## **Employees and Remuneration Policies**

As at 30 June 2019, the Group has employed a total of 10 employees (2018: 10) including the directors of the Company. The remuneration packages consist of basic salary, mandatory provident fund, medical insurance, and other benefits considered as appropriate. Remuneration packages are generally structured by reference to the prevailing market conditions, individual qualification and performance. They are under periodic review based on individual merit and other market factors. The total staff costs for the six months ended 30 June 2019 amounted to HK\$3,045,204 (2018: HK\$2,061,150).

## **Charges on the Group's Assets**

As at 30 June 2019, no charges had been created on the Group's assets (At 31 December 2018: Nil).

## **Contingent Liabilities**

The Group did not have any significant contingent liabilities as at 30 June 2019 (At 31 December 2018: Nil).

## **Prospects**

Having mentioned in “Business Review” section, the market is experiencing a tumultuous in short run. The Group expects the global economy will be full of challenge in future. The management of the Group will adopt a conservative approach in managing the existing investments in accordance with the Group’s investment objectives and policies. On the other hand, the Group will continue to seek and evaluate good investment opportunities to enrich the investment portfolios, aiming to maximize the return for the shareholders of the Company.

## **Events After the Reporting Period**

On 4 July 2019, Mr. LIANG Qianyuan has been appointed as a non-executive Director with immediate effect. For details, please refer to the announcement of the Company dated 4 July 2019.

Save as disclosed above, there is no material subsequent event undertaken by the Group after the end of the six months ended 30 June 2019 and up to the date of this announcement.

## **Significant Investment Held**

Save as disclosed above, the Group had no other significant investment held as at 30 June 2019.

## **Future Plans Relating to Material Investment or Capital Asset**

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

## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the reporting period.

## **CORPORATE GOVERNANCE**

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices and the corporate governance principles of the Company are adopted in the best interest of the Company and its shareholders. The Company has established procedures on corporate governance that comply with the requirements of the Corporate Governance Code (the “CG Code”) contained in Appendix 14 of the Listing Rules. The Board has reviewed and taken measures to adopt the CG Code as the Company’s code of corporate governance practices. During the six months ended 30 June 2019, the Company has complied with the code provisions under the CG Code.

## **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”) as set out in Appendix 10 of the Listing Rules regarding Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code. Having made specific enquiry of all Directors, all the Directors have complied with the required standards as set out in the Model Code and its code of conduct regarding directors’ securities transactions throughout the reporting period.

## **AUDIT COMMITTEE**

The audit committee of the Company (the “Audit Committee”), with its terms of reference established in compliance with the Listing Rules, comprises three independent non-executive Directors, namely Mr. MOK Ho Ming (the chairman of the Audit Committee), Mr. CHEN Ming and Mr. WONG Yan Wai George. The Audit Committee has reviewed with the management of the Company the unaudited condensed consolidated interim financial statements of the Group for the six months ended 30 June 2019 including the accounting principles and practices adopted by the Group and has also discussed with management of the Company the financial reporting procedures, internal control and risk management systems.

## **REVIEW OF ACCOUNTS**

The external auditor, RSM Hong Kong, has reviewed the interim financial information for the six months ended 30 June 2019 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

## **PUBLICATION OF 2019 INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This interim results announcement is published on the Company’s website ([www.ceig.hk](http://www.ceig.hk)) and the Stock Exchange’s website ([www.hkexnews.hk](http://www.hkexnews.hk)). The Company’s 2019 interim report for the six months ended 30 June 2019 will be made available on the websites of the Company and Stock Exchange and will be dispatched to Company’s shareholders in due course.

By order of the Board  
**Core Economy Investment Group Limited**  
**SUN Bo**  
*Chairman*

Hong Kong, 23 August 2019

*As at the date of this announcement, the executive Directors are Mr. SUN Bo (Chairman) and Mr. WANG Daming; the non-executive Directors are Mr. HE Yu and Mr. LIANG Qianyuan; and the independent non-executive Directors are Mr. CHEN Ming, Mr. MOK Ho Ming and Mr. WONG Yan Wai George.*