EVER HARVEST GROUP HOLDINGS LIMITED
永豐集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1549)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2016

The board of directors (the "Board") Ever Harvest Group Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated results and the unaudited condensed consolidated statement of financial position of the Company and its subsidiaries (hereinafter collectively referred to as the "Group") for the six months ended 30 June 2016 together with comparative figures for the corresponding period in 2015 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
Six months ended 30 June 2016

		Six months ended 30 June	
		2016	2015
		(unaudited)	(unaudited)
	Note	***HK$'000***	*HK$'000*
Revenue	4	**177,564**	249,381
Cost of services		**(138,234)**	(210,074)
Gross profit		**39,330**	39,307
Other income	5	**6,407**	3,721
Administrative and other operating expenses		**(42,594)**	(23,960)
Finance costs	6	**(356)**	(127)
Profit before tax	6	**2,787**	18,941
Income tax expenses	7	**(2,322)**	(1,942)
Profit for the period		**465**	16,999
Attributable to:			
Equity holders of the Company		**465**	16,141
Non-controlling interests		**–**	858
		465	16,999
Earnings per share attributable to equity holders of the Company		***HK cents***	*HK cents*
Basic and diluted	9	**0.04**	1.54

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 June 2016

	Six months ended 30 June	
	2016	2015
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Profit for the period	**465**	16,999
Other comprehensive loss		
Items that may be reclassified subsequently to profit or loss:		
Exchange difference on consolidation/combination	**(759)**	(1,096)
Total comprehensive (loss) income for the period	**(294)**	15,903
Total comprehensive (loss) income attributable to:		
Equity holders of the Company	**(294)**	15,212
Non-controlling interests	**–**	691
	(294)	15,903

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2016

	Note	**At 30 June 2016 (unaudited) *HK$'000***	At 31 December 2015 (audited) *HK$'000*
Non-current assets			
Property, plant and equipment		**23,503**	25,193
Current assets			
Trade and other receivables	10	**67,638**	72,996
Pledged bank deposits		**796**	450
Bank balances and cash		**46,770**	57,416
		115,204	130,862
Current liabilities			
Trade and other payables	11	**68,816**	72,077
Current portion of obligations under finance leases		**1,935**	1,905
Income tax payable		**5,534**	3,877
Interest-bearing borrowings	12	**29,982**	–
		106,267	77,859
Net current assets		**8,937**	53,003
Total assets less current liabilities		**32,440**	78,196
Non-current liabilities			
Deferred tax liabilities		**3,861**	3,946
Non-current portion of obligations under finance leases		**1,019**	1,396
		4,880	5,342
NET ASSETS		**27,560**	72,854
Capital and reserves			
Share capital		**–**	–
Reserves		**27,560**	72,854
TOTAL EQUITY		**27,560**	72,854

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six months ended 30 June 2016

1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated as an exempted company with limited liability in the Cayman Islands on 15 October 2015. The Company's immediate and ultimate holding company is Ever Winning Investment Company Limited, a company with limited liability incorporated in the British Virgin Islands ("BVI"). The registered office of the Company is situated at PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman, KY1-1108, Cayman Islands. The Company's principal place of business is situated at 28/F., Excel Centre, 483A Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong.

The principal activity of the Company is to act as an investment holding company. The Company together with its subsidiaries (the "Group") is mainly engaged in rendering of sea freight transportation and freight forwarding services in Hong Kong and in the People's Republic of China (the "PRC" or "China").

In preparing for the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (the "Initial Listing"), the Group underwent a group reorganisation (the "Reorganisation") to rationalise the group structure. As a result of the Reorganisation, the Company became the holding company of the Group on 4 May 2016. Details of the Reorganisation are more fully explained in the section headed "History, Development and Reorganisation – Reorganisation" of the prospectus of the Company dated 23 June 2016 (the "Prospectus"). The Group resulting from the Reorganisation is regarded as a continuing entity under the common control of Mr. Lau Yu Leung (the "Ultimate Controlling Party") prior to and after the Reorganisation, and that control is not transitory. Accordingly, the unaudited condensed consolidated financial statements for the six months ended 30 June 2016 (the "Interim Financial Statements") have been prepared using the principles of merger accounting in accordance with Accounting Guideline 5 "*Merger accounting under common control combination*" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The unaudited condensed consolidated income statement, unaudited condensed consolidated statement of comprehensive income, unaudited condensed consolidated statement of changes in equity and the unaudited condensed consolidated statement of cash flows of the Group for the six months ended 30 June 2016 and 2015 have been prepared on the basis as if the current group structure has been in existence throughout the periods. The condensed consolidated statement of financial position of the Group as at 31 December 2015 has been prepared to present the assets and liabilities of the companies now comprising the Group as if the group structure has been in existence as at that date.

The shares of the Company were listed on the Stock Exchange on 6 July 2016.

The Interim Financial Statements have been prepared in accordance with the Hong Kong Accounting Standard 34 "*Interim Financial Reporting*" ("HKAS 34") issued by the HKICPA and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The preparation of the Interim Financial Statements in conformity with HKAS 34 requires the management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The Interim Financial Statements include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since 31 December 2015, and therefore, do not include all of the information required for full set of financial statements prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual HKFRSs, Hong Kong Accounting Standard ("HKAS") and Interpretations issued by HKICPA. They shall be read in conjunction with the Group's audited financial information for the year ended 31 December 2015 as included in the Accountants' Report as set out in Appendix I of the Prospectus (the "2015 Financial Information").

The Interim Financial Statements have been prepared on the historical costs basis and presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company, and rounded to the nearest thousands unless otherwise indicated.

The accounting policies and methods of computation applied in the preparation of the Interim Financial Statements are consistent with those applied in preparing the 2015 Financial Information.

2. ADOPTION OF NEW/REVISED HKFRSs

The adoption of the following new/revised HKFRSs that are relevant to the Group and effective from the current period had no significant effects on the financial performance and financial position of the Group for the current and prior periods.

Amendments to HKAS 1	*Disclosure initiative*
Amendments to HKAS 16 and HKAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation*
Annual Improvements Project	*2012-2014 Cycle*

The Group has not early adopted any new/revised HKFRSs that have been issued but are not yet effective for the financial period beginning on 1 January 2016. Except for HKFRS 16, the management does not anticipate that the adoption of these new/revised HKFRSs in future periods will have any material impact on the financial position, financial performance and cash flows of the Group.

HKFRS 16

HKFRS 16 "Leases", which is effective for annual periods beginning on or after 1 January 2019, significantly changes the lessee accounting by replacing the dual model under HKAS 17 with a single model which requires a lessee to recognise assets and liabilities for the rights and obligations created by leases unless the exemptions apply. Besides, among other changes, it requires enhanced disclosures to be provided by lessees and lessors. Based on the preliminary assessment, the management is of the opinion that the leases of certain properties and feeder vessels by the Group which are currently classified as operating leases under HKAS 17 will trigger the recognition of right-of-use assets and lease liabilities in accordance with HKFRS 16. In subsequent measurement, depreciation (and, if applicable, impairment loss) and interest will be recognised on the right-of-use assets and the lease liabilities respectively, of which the amount in total for each reporting period is not expected to be significantly different from the periodic operating lease expenses recognised under HKAS 17. Apart from the effects as outlined above, it is not expected that HKFRS 16 will have a significant impact on the future financial position, financial performance and cash flows of the Group upon adoption.

3. SEGMENT INFORMATION

The executive directors have been identified as the chief operating decision-makers. The executive directors review the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The executive directors assess the performance of the Group's business from a route perspective for the feeder shipping services and the carrier owned container services and a collective perspective for sea freight forwarding agency services.

Segment results represent the gross profit earned or loss incurred by each segment without allocation of other income, administrative and other operating expenses, finance costs and income tax expenses.

	Sea freight forwarding agency services (unaudited) *HK$'000*	Fujian routes (unaudited) *HK$'000*	Guangxi routes (unaudited) *HK$'000*	Guangdong routes (unaudited) *HK$'000*	Hainan routes (unaudited) *HK$'000*	Total (unaudited) *HK$'000*
Six months ended 30 June 2016						
Revenue from external customers	25,894	28,109	51,993	58,249	13,319	177,564
Cost of services	(22,717)	(20,788)	(37,891)	(46,621)	(10,217)	(138,234)
Segment results	3,177	7,321	14,102	11,628	3,102	39,330
Unallocated income and expenses						
Other income						6,407
Administrative and other operating expenses						(42,594)
Finance costs						(356)
Profit before tax						2,787
Income tax expenses						(2,322)
Profit for the period						465

	Sea freight forwarding agency services (unaudited) *HK$'000*	Fujian routes (unaudited) *HK$'000*	Guangxi routes (unaudited) *HK$'000*	Guangdong routes (unaudited) *HK$'000*	Hainan routes (unaudited) *HK$'000*	Total (unaudited) *HK$'000*
Six months ended 30 June 2015						
Revenue from external customers	51,368	40,963	93,265	54,071	9,714	249,381
Cost of services	(45,617)	(33,413)	(77,462)	(45,433)	(8,149)	(210,074)
Segment results	5,751	7,550	15,803	8,638	1,565	39,307
Unallocated income and expenses						
Other income						3,721
Administrative and other operating expenses						(23,960)
Finance costs						(127)
Profit before tax						18,941
Income tax expenses						(1,942)
Profit for the period						16,999

4. REVENUE

	Six months ended 30 June	
	2016	2015
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Income from rendering of feeder shipping services	**132,286**	180,327
Income from rendering of carrier owned container services	**19,384**	17,686
Income from rendering of sea freight forwarding agency services	**25,894**	51,368
	177,564	249,381

5. OTHER INCOME

	Six months ended 30 June	
	2016	2015
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Bank interest income	**39**	74
Exchange gain, net	**552**	1,416
Gain on disposal of property, plant and equipment	**–**	269
Government grants	**5,209**	1,658
Sundry income	**607**	304
	6,407	3,721

6. PROFIT BEFORE TAX

This is stated after charging (crediting):

	Six months ended 30 June	
	2016	2015
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Finance costs		
Interest on interest-bearing borrowings	**232**	–
Finance charges on obligations under finance leases	**124**	127
	356	127
Other items		
Salaries and allowances	**15,062**	13,942
Contributions to defined contribution plans	**2,215**	1,575
Total staff costs (including directors' remuneration)	**17,277**	15,517
Depreciation (charged to "cost of services" and "administrative and other operating expenses", as appropriate)	**2,228**	2,440
Exchange gain, net	**(552)**	(1,416)
Expenses for the Initial Listing	**16,472**	–
Operating lease payments on feeder vessels and barges (charged to "cost of services")	**26,351**	44,856
Operating lease payments on premises	**1,712**	1,726

7. TAXATION

	Six months ended 30 June	
	2016	2015
	(unaudited)	(unaudited)
	HK$'000	*HK$'000*
Current tax		
Hong Kong Profits Tax	**1,141**	1,370
PRC Enterprise Income Tax	**1,181**	158
	2,322	1,528
Deferred tax		
Changes in temporary differences	**–**	414
	2,322	1,942

The group entities established in the Cayman Islands and the BVI are exempted from income tax, respectively.

Hong Kong Profits Tax has been provided at the rate of 16.5% *(six months ended 30 June 2015: 16.5%)* on the Group's estimated assessable profits arising from Hong Kong.

The Group's entities established in the PRC are subject to Enterprise Income Tax of the PRC at a statutory rate of 25% *(six months ended 30 June 2015: 25%)*.

8. DIVIDENDS

On 29 February 2016, special dividends of HK$45,000,000 were declared to the equity holders of the entities now comprising the Group prior to the completion of the Reorganisation and were fully paid on 6 June 2016. No dividend has been declared nor paid by the Group for the six months ended 30 June 2015.

9. EARNINGS PER SHARE

The calculation of the basic earnings per share for the period is based on the profit attributable to the equity holders of the Company for the six months ended 30 June 2016 of HK$465,000 *(2015: HK$16,141,000)* and on the weighted average number of 1,050,000,000 *(2015: 1,050,000,000)* ordinary shares in issue during the period which is on the assumption that the Reorganisation and the issue of 1,049,990,000 ordinary shares of HK$0.01 each to the existing shareholders by way of capitalisation had been effective on 1 January 2015.

Diluted earnings per share is same as basic earnings per share as there were no potential ordinary shares outstanding during both periods.

10. TRADE AND OTHER RECEIVABLES

	At 30 June 2016 (unaudited) *HK$'000*	At 31 December 2015 (audited) *HK$'000*
Trade receivables		
From third parties	**56,907**	63,869
Other receivables		
Deposits, prepayments and other debtors	**10,731**	9,127
	67,638	72,996

The Group normally grants credit terms up to 120 days to its customers. The ageing analysis of trade receivables by invoice date is as follows:

	At 30 June 2016 (unaudited) *HK$'000*	At 31 December 2015 (audited) *HK$'000*
Within 30 days	**25,247**	28,348
31 – 60 days	**15,241**	18,544
61 – 90 days	**7,810**	7,566
Over 90 days	**8,609**	9,411
	56,907	63,869

11. TRADE AND OTHER PAYABLES

	At 30 June 2016 (unaudited) *HK$'000*	At 31 December 2015 (audited) *HK$'000*
Trade payables		
To a related company	**3,079**	1,587
To third parties	**44,464**	51,931
	47,543	53,518
Other payables		
Accrued charges and other creditors	**21,273**	18,559
	68,816	72,077

The trade payables due to a related company ultimately controlled by the Ultimate Controlling Party are unsecured, interest-free and have a credit period of 30 days.

The ageing analysis of trade payables by invoice date is as follows:

	At 30 June 2016 (unaudited) *HK$'000*	At 31 December 2015 (audited) *HK$'000*
Within 30 days	**38,411**	42,488
31 – 60 days	**5,625**	6,833
61 – 90 days	**1,395**	2,059
Over 90 days	**2,112**	2,138
	47,543	53,518

12. INTEREST-BEARING BORROWINGS

	At 30 June 2016 (unaudited) *HK$'000*	At 31 December 2015 (audited) *HK$'000*
Secured bank borrowings repayable within one year	**29,982**	–

The Group's borrowings at 30 June 2016 bear interests ranging from approximately 2.4% to 2.5% per annum *(31 December 2015: Nil)*.

At 30 June 2016, the Group had obtained banking facilities of totaling HK$30,000,000 *(31 December 2015: Nil)* guaranteed by the Ultimate Controlling Party. Such guarantee was released and replaced by the guarantee from the Company subsequent to 30 June 2016.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL OVERVIEW

During the six months ended 30 June 2016, the Group recorded a revenue of approximately HK$177,600,000 (for the six months ended 30 June 2015: HK$249,400,000), representing a decrease of 28.8% over the same period last year. The Group's gross profit remained stable at approximately HK$39,300,000, while the gross profit margin increased from 15.8% to 22.1%. Due to expenses for the Initial Listing of approximately HK$16,500,000, which was one-off in nature, the Group's profit for the period decreased 97.3% from approximately HK$17,000,000 to approximately HK$500,000. The Group's net profit margin decreased from 6.8% to 0.3% during the six months ended 30 June 2016. If such effect was excluded, the profit for the period remains approximately HK$17,000,000 and the net profit margin would be 9.5% (2015: 6.8%).

The shares of the Company were listed on the Main Board of the Stock Exchange on 6 July 2016.

BUSINESS OVERVIEW

During the six months ended 30 June 2016, the market of waterborne trade faces series of challenges. Freight rates for Asia-Europe liners hit record low levels under the impact of new shipping capacity put into market amid a weak economic growth momentum in the Eurozone. On the other hand, China's exports value fell 7.7% and imports value fell 10.2% for the six months end 30 June 2016 as compared with the same period last year, according to the Ministry of Commerce of the PRC.

Despite the above, the Group recorded a growth in shipment volume of feeder shipping services and carrier owned container services of 566 twenty-foot equivalent units (the "TEUs"), from 191,918 TEUs to 192,484 TEUs, for the six months ended 30 June 2016 as compared to the same period last year. In response to market condition, the Company actively adjusted its operating strategies by switching resources to emerging ports in our existing network. Guangdong routes and Hainan routes were outperformed other routes and recorded growth of revenue by 7.7% and 37.1%, respectively.

In response to low levels of Asia-Europe freight rates, the Group had less effort on the sea freight forwarding agency services as low profit margin was expected. The shipment volume of such services decreased from 10,132 TEUs to 7,546 TEUs, for the six months ended 30 June 2016, as compared to the same period last year.

The following table sets out the breakdown of revenue and TEUs by segment for the period:

	Six months ended 30 June					
	2016			2015		
	HK$'000 **(unaudited)**	**TEUs**	**Gross profit margin %**	*HK$'000* (unaudited)	TEUs	Gross profit margin %
Fujian routes	**28,109**	**20,747**	**26.0**	40,963	26,895	18.4
Guangxi routes	**51,993**	**41,903**	**27.1**	93,265	64,568	16.9
Guangdong routes	**58,249**	**117,429**	**20.0**	54,071	90,564	16.0
Hainan routes	**13,319**	**12,405**	**23.3**	9,714	9,891	16.1
Sea freight forwarding agency services	**25,894**	**7,546**	**12.3**	51,368	10,132	11.2
	177,564	**200,030**	**22.1**	249,381	202,050	15.8

The Group's operational costs totalled HK$138,200,000, representing a decrease of HK$71,800,000 or 34.2% as compared with the same period last year. The change in operational costs was due to (i) lower bunker charges which were in line with the lower international fuel price; (ii) decrease in international freight rates of sea freight forwarding agency service; (iii) reinforced effective cost control by the Company's management.

PROSPECTS

Fluctuation of international fuel price, low levels of freight rates for Asia-Europe liners, and the slowing China economy, challenges the entire waterborne trade market. Nevertheless, the construction of "One Belt, One Road" provides unprecedented opportunities ahead. The Group has planned ahead for the upcoming challenges and to seize the opportunity.

Extend reach of routes and fleet expansion

The Group is headquartered in Hong Kong and have grown to become a regional shipping carrier with 19 points of operation in Hong Kong, Fujian Province, Guangdong Province, Guangxi Zhuang Autonomous Region and Hainan Province. Decrease in China export and import values causes uncertainties to the Group's income stream in the existing points of operation. Thus, in order to broaden the customer base and diversify the operating risk, the Group is exploring to extend reach of routes in new ports located in the southern China. Capitalising past experience, new income stream brings stability to the Group's revenue and flexibility of reallocation of resources to a higher profit margin points of operation.

New vessels and containers would be acquired as well. With the additional vessels, extension of reach of routes is well supported and flexibility of resources allocation amongst points of operation is enhanced. It also reduces vessel chartering thereby achieving cost efficiency.

Deepen scope of integrated port and logistics related services

On 18 August 2016, Ever Harvest Shipping Limited, a subsidiary of the Company, entered into a non-legally binding strategic cooperation framework agreement (the "Strategic Cooperation Framework Agreement") with Pingtan Integrated Pilot Area Management Committee. Pursuant to the Strategic Cooperation Framework Agreement, the parties agree, among other things, to combine the advantage of each of their resources and expertise, to put forward planning, preparation and implementation of the Group's regional headquarter, and to establish extensive close cooperation with a view to setting up its logistics services centre in Pingtan Free Trade Zone. The total investment amount for this project is expected to be approximately RMB 60,000,000. For further details, please refer to the voluntary announcement of the Company dated 18 August 2016 on the Stock Exchange.

Pingtan Free Trade Zone, located in Fujian Province of the PRC, is an important hub of "One Belt, One Road". It would be a place for, among other things, imported cargoes to be stored before clearance, further use of imported cargoes in manufacturing and processing, and exhibition of the imported cargoes. It is envisaged that there would be series of encouraging government policy and tax benefits thereby attracting the establishment of various industrial enterprises such as manufacturing, e-commerce, financing and logistics businesses including domestic sub-route transshipment, vessel transloading, cross-strait shipping and import tax bonded warehouse. As such, it is expected that there would be a lot of trading to be carried out in Pingtan Free Trade Zone and there would be a large demand for logistics services there.

Given the encouraging trading policy in Pingtan Free Trade Zone and the Group's established presence in Fujian Province as well as the Group's experience in the waterborne trade and freight services market, the Board of the Company believes that Pingtan Free Trade Zone would be an ideal and strategic location for the Group to develop and deepen the Group's port and logistics related business.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The Group generally finances its operations with internally generated cash flow and banking facilities provided by its principal bankers in Hong Kong. As at 30 June 2016, the Group held bank balances and cash of approximately HK$46,770,000 (31 December 2015: approximately HK$57,416,000). The Group had interest-bearing borrowings of approximately HK$29,982,000 at 30 June 2016 with interests ranging from approximately 2.4% to 2.5% per annum. All bank borrowings were made from banks in Hong Kong and were repayable within one year. The carrying amounts of bank borrowings were denominated in HK$. The Group's gearing ratio as at 30 June 2016, calculated based on the total borrowings to the equity attributable to owners of the Company, was 119.5% (31 December 2015: 4.5%). The Board of the Company believes that the Group's cash holding, liquid asset value, future revenue and available banking facilities will be sufficient to fulfill the working capital requirements of the Group. There has been no material change in the capital structure of the Company during the six months ended 30 June 2016. The capital of the Company comprises ordinary shares and other reserves.

Treasury policies

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained a healthy liquidity position throughout the six months ended 30 June 2016. The Group strives to reduce exposure to credit risk by performing ongoing credit assessments and evaluations of the financial status of its customers. To manage liquidity risk, the Board of the Company closely monitors the Group's liquidity position to ensure that the sufficient financial resources are available in order to meet its funding requirements and commitment timely.

Hedging and exchange rate exposure

The majority of the transactions, assets and liabilities of the Group was made in HK$ and US dollars. As of 30 June 2016, the Group was not exposed to any material exchange rate risk. During the six months ended 30 June 2016, no financial instruments were used for hedging purposes, and the Group did not commit to any financial instruments to hedge its exposure to exchange rate risk, as the exchange rates of HK$ and US dollars were relatively stable under the currency peg system.

Charge on group assets

As at 30 June 2016, bank deposits amounting to approximately HK$796,000 (31 December 2015: approximately HK$450,000) was pledged as security for bank facilities.

Contingent liabilities

As at 30 June 2016, the Group had no contingent liabilities.

USE OF PROCEEDS

The net proceeds of the Group raised from the initial public offering was approximately HK$80,300,000, after deducting the underwriting fees, commissions and other listing expenses. None of the net proceeds has been utilised at the date of this announcement and they are placed in licensed banks in Hong Kong. Net proceeds will be used according to the manner as set out in the section of "Future Plans and Use of Proceeds" in the prospectus of the Company dated 23 June 2016 (the "Prospectus").

SIGNIFICANT INVESTMENTS HELD

During the six months ended 30 June 2016, the Group did not hold any significant investment in equity interest in any other company.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

During the six months ended 30 June 2016, the Group did not have any material acquisitions and disposals of subsidiaries, associates and joint ventures.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Prospectus, the Group did not have other future plans for material investments and capital assets.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2016, the Group had a total of 270 employees (31 December 2015: 261). Total staff costs (including directors' emoluments) were approximately HK$17,277,000 for the six months ended 30 June 2016, as compared to approximately HK$15,517,000 for the same period last year.

Remuneration policy of the Group is reviewed regularly, making reference to legal framework, market condition and performance of the Group and individual staff (including directors of the Company). The remuneration policy and remuneration packages of the executive directors and members of the senior management of the Group are reviewed by the Remuneration Committee.

INTERIM DIVIDEND

The Board of the Company has resolved not to declare an interim dividend for the six months ended 30 June 2016.

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

Throughout the period from the listing of the shares of the Company on 6 July 2016 (the "Listing Date") and up to the date of this announcement, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

REVIEW OF INTERIM RESULTS

The Company established our audit committee on 10 June 2016 which comprises three independent non-executive Directors, namely Mr. Lee Ka Lun as the chairman of the audit committee, Mr. Lo Wan Sing Vincent and Mr. Lam Lo, all of whom possess experience in financial and/or general management. Our audit committee has also adopted written terms of reference which clearly set out its duties and obligations for ensuring compliance with the relevant regulatory requirements.

The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the unaudited financial statements of the Group for the six months ended 30 June 2016 and this announcement.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

(a) On 6 July 2016, the shares of the Company were listed on the Stock Exchange and 350,000,000 new ordinary shares of HK$0.01 each were issued at HK$0.315 per share by way of global offering.

(b) Subsequent to 30 June 2016, the Over-allotment Option (as defined in the Prospectus) had not been exercised during the stabilisation period and had lapsed on 28 July 2016.

Save as disclosed above and elsewhere in this announcement, there is no important event affecting the Group which has occurred since 30 June 2016.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the Corporate Governance Code and Corporate Governance Report (the "CG Code") contained in Appendix 14 to the Listing Rules as its own code of corporate governance since the Listing Date. The Company has complied with the code provisions of the CG Code set out therein throughout the period from the Listing Date and up to the date of this announcement.

By Order of the Board
Ever Harvest Group Holdings Limited
Lau Yu Leung
Chairman

Hong Kong, 30 August 2016

As at the date of this announcement, the board of directors of the Company comprises Mr. Lau Yu Leung, Mr. Lau Tak Fung Wallace and Mr. Lau Tak Kee Henry as executive directors; Madam Tong Hung Sum as non-executive director; Mr. Lo Wan Sing Vincent, Mr. Lam Lo and Mr. Lee Ka Lun as independent non-executive directors.