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EYANG HOLDINGS (GROUP) CO., LIMITED

宇陽控股(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 117)

ANNOUNCEMENT

**UNAUDITED INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 JUNE 2015**

The board (the “**Board**”) of directors (the “**Directors**”) of EYANG Holdings (Group) Co., Limited (the “**Company**”) announces the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the six months ended 30 June 2015, together with the comparative figures for the corresponding period of 2014.

This interim condensed consolidated financial information has not been audited, but has been reviewed by the Company’s audit committee.

BUSINESS REVIEW

During the first half of 2015, the Internet and smart concept continued to lead the trend of electronic development. The output of smart phones in the PRC largely remained stable, with the share of 4G smart phones reaching 80%. As an upstream industry of these electronic products, the multi-layer ceramic capacitor (“MLCC”) industry recorded a relatively stable selling price of products. Driven by the continued investment in research and development, our efforts in product research and development began to deliver results, in addition, we have seen a significant increase in the share of super-miniature products and miniature high capacitance products, as well as the enhancement in the core competitiveness of our offerings. As the average unit selling price declined due to the increase in the share of miniature and super-miniature products, operating revenue decreased slightly despite the growth in total sales.

The upgrade and reconstruction of the second base plant in Anhui province is basically completed, and the costs of products had been decreasing gradually. During the period, the Group recorded a gross profit margin of 12.3% for product sales, which was 5% lower compared with the same period of last year, but represented a significant increase when compared to the average gross profit margin of last year.

FUTURE PROSPECTS

The upgrade and reconstruction of the Group's second base plant in Anhui province is completed and the "two-pronged" manufacturing setup along the coastal areas and in the inland primarily takes shape, which started to have positive effects on our operations. As a result of the progressive reduction in product manufacturing costs, the negative impact brought by the price competition of MLCC products had been alleviated to a certain extent, it is also expected to play an important role in the future operations of the Group.

In terms of external factors, with the full-fledged implementation of the "One Belt and One Road" strategy, we expect to see a gradual release of economic downward pressure and a stable growth of the economy for the year. With regard to internal factors, in view of the increased share of miniature and super-miniature products, the preliminary effects of product structure upgrade, and the implementation of adjustment in our customer structure and related measures in the second half of the year, we anticipate an accelerated growth in operating revenue and a higher gross profit margin in the second half of the year over the first half of the year.

FINANCIAL REVIEW

Revenue

During the first six months of 2015, the revenue from the Group's business was RMB211.4 million, representing a 1.87% decrease from the same period of 2014 despite of an increase in sales volume. This was mainly attributable to a decrease in the sales of the high-value products as a result of the intensified market competition.

Gross Profit Margin

The gross profit margin of the Group's business for the first six months of 2015 was 12.3%, representing a decrease of 5.0% from 17.3% for the same period of 2014. This was mainly attributable to a decrease in the sales of the high-value products, resulting in a drop in the average selling prices of products.

Other Revenue and Other Net Income

Other revenue and other net income of the Group for the first six months of 2015 were RMB6.4 million, representing an increase of RMB0.2 million from the same period of 2014. This was mainly attributable to an increase in government grant.

Selling and Distribution Costs

The selling and distribution costs of the Group for the first six months of 2015 were RMB9.3 million, representing a decrease of RMB1.9 million from the same period of 2014, this was mainly resulted from the effective control of selling and distribution costs in the first half of the year.

Administrative Expenses

The administrative expenses of the Group for the first six months of 2015 were RMB15.9 million, flat compared with the same period of 2014.

Research and Development Costs

The research and development costs of the Group for the first six months of 2015 were RMB14.6 million, flat compared with the same period of 2014.

Other Expenses

Other expenses of the Group for the first six months of 2015 were RMB1.5 million, representing a decrease by RMB5.5 million over the same period of 2014, this was mainly attributable to a decrease in the amount of new provision for inventories in the first half of 2015 compared with the same period of 2014.

Finance Costs

The finance costs of the Group for the first six months of 2015 were RMB2.1 million, representing a decrease by RMB0.3 million over the same period of 2014, this was mainly due to a continuing decrease of the lending rates in the first half year.

Income Tax

The reversal of provision for income tax of the Group for the first six months of 2015 amounted to approximately RMB0.3 million, it was mainly due to the absence of income tax provision based on the fact that a loss was recorded in the results for the first half of the year. At the same time, the increase in the provision of assets resulted in a corresponding increase in deferred tax assets.

Gearing Ratio

The Group monitors its capital structure through gearing ratio, which is net debt divided by capital plus net debt. Net debt is calculated at the sum of bank loans, trade and bills payables and other payables and accruals (excluding deferred income, deposits from customers and provision of warranty) less cash and cash equivalent. Capital represents the total equity attributable to the owner of the Company. As at 30 June 2015 and 31 December 2014, the gearing ratio of the Group was approximately 29% and 26% respectively.

Property, Plant and Equipment

The net carrying amount of the Group's property, plant and equipment as at 30 June 2015 was RMB210.9 million, representing a decrease of RMB15.6 million from that of 31 December 2014. This was mainly due to: (i) depreciation and impairment of approximately RMB19.0 million with respect of the Group's property, plant and equipment in the current period; and (ii) the Group's newly acquired equipment valued at RMB3.7 million; and (iii) the transfer of RMB0.3 million to investment properties.

Investment Properties

The Group's investment properties as at 30 June 2015 amounted to RMB24.3 million, flat compared with that of 31 December 2014.

Other Intangible Assets

The other intangible assets of the Group as at 30 June 2015 amounted to RMB1.9 million, representing a decrease of RMB0.27 million from that of 31 December 2014, this was mainly attributable to the amortization of intangible assets of the Group.

Trade and Bills Receivables

As at 30 June 2015, the net book values of the Group's trade and bills receivables were RMB187.7 million, representing a decrease of approximately RMB0.6 million from that of 31 December 2014, this was mainly due to the small decrease of sales.

Prepayments, Deposits and Other Receivables

As at 30 June 2015, prepayments, deposits and other receivables of the Group amounted to approximately RMB12.1 million, representing a decrease by RMB3.3 million over that of 31 December 2014, primarily due to: (i) a decrease in input tax subject to deduction for the current period; (ii) a decrease in prepayments of equipment related payables.

Cash and Bank Balances and Pledged Bank Deposits

As at 30 June 2015, cash and bank balances and pledged bank deposits of the Group were RMB38.5 million, representing a decrease of approximately RMB14.0 million from that of 31 December 2014, this was mainly attributable to the reduction in pledged bank deposits arising from the decreased issuance of letter of credits as a result of a change in financing method

Trade and Bills Payables

As at 30 June 2015, the balance of the Group's trade and bills payables amounted to RMB84.2 million, representing a decrease by approximately RMB8.8 million from that of 31 December 2014. This was mainly due to the adjustment to product structure and the tempo of purchase.

Deferred Income, Accruals and Other Payables

As at 30 June 2015, deferred income, accruals and other payables of the Group amounted to RMB27.7 million, representing a decrease of RMB4.4 million from that of 31 December 2014. This was mainly due to: (i) the year-end bonus provided for 2014 being paid during the first half of 2015; (ii) a decrease in equipment related payables and other tax.

Bank Loans

As at 30 June 2015, the Group had outstanding bank loans of RMB81.0 million, representing an increase of RMB13.6 million as compared to that of 31 December 2014, which was mainly used to maintain the Group's liquidity.

Contingent Liabilities

As at 30 June 2015, the Group had no material contingent liabilities.

Commitments

As at 30 June 2015, the capital commitments of the Group were RMB10.9 million, representing an increase by RMB10.0 million from that of 31 December 2014, which was mainly due to the fact that the Group entered into lots of MLCC production equipment purchasing contracts in the first half of 2015.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Net Current Assets

As at 30 June 2015, the Group had net current assets of approximately RMB146.0 million, including current assets of RMB356.1 million and current liabilities of RMB210.1 million.

Banking Facilities

As at 30 June 2015, the Group had aggregate banking facilities of approximately RMB410.0 million, of which approximately RMB316.7 million had not been utilized.

FOREIGN CURRENCY RISK

During the first six months of 2015, the Group's sales were mainly denominated in Renminbi, United States dollars and Hong Kong dollars, while its purchases were mainly denominated in Renminbi, United States dollars, Hong Kong dollars and Japanese Yen. The trade receivables denominated in Hong Kong dollars were greater than the trade payables denominated in Hong Kong dollars and the trade receivables denominated in United States dollars were less than the trade payables denominated in United States dollars. Meanwhile, the Group is exposed to risks in respect of trade payables denominated in Japanese Yen, but is not exposed to risks in respect of trade receivables denominated in Japanese Yen. In the event of vigorous fluctuation of the exchange rate, foreign currencies risk will exist to a certain extent.

STAFF

As at 30 June 2015, the Group had a total of 1,182 staff, whose remunerations and benefits are determined based on the market, state policies and individual performance.

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

For the six months ended 30 June 2015

| | <i>Notes</i> | Six months ended 30 June | |
|---|--------------|--|---------------------------------------|
| | | 2015 (Unaudited) <i>RMB'000</i> | 2014 (Unaudited) <i>RMB'000</i> |
| Revenue | 4 | 211,416 | 215,445 |
| Cost of sales | | <u>(185,439)</u> | <u>(178,230)</u> |
| Gross profit | | 25,977 | 37,215 |
| Other revenue and other net income | 4 | 6,388 | 6,217 |
| Selling and distribution costs | | (9,301) | (11,223) |
| Administrative expenses | | (15,932) | (15,721) |
| Other expenses | | (1,502) | (7,030) |
| Research and development costs | | <u>(14,592)</u> | <u>(14,615)</u> |
| Loss from operations | | (8,962) | (5,157) |
| Finance costs | 5 | <u>(2,083)</u> | <u>(2,392)</u> |
| Loss before taxation | | (11,045) | (7,549) |
| Income tax | 6 | <u>344</u> | <u>483</u> |
| Loss for the period | | (10,701) | (7,066) |
| Other comprehensive loss for the period, net of nil tax | | | |
| Item that may be reclassified subsequently to profit or loss: | | | |
| Exchange differences on translation of foreign operations | | <u>(56)</u> | <u>(600)</u> |
| Total comprehensive loss for the period | | <u>(10,757)</u> | <u>(7,666)</u> |
| Loss for the period attributable to owners of the Company | | <u>(10,701)</u> | <u>(7,066)</u> |
| Total comprehensive loss attributable to owners of the Company | | <u>(10,757)</u> | <u>(7,666)</u> |
| Loss per share | 8 | | |
| Basic and diluted | | <u>RMB(2.63) cents</u> | <u>RMB(1.74) cents</u> |

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2015

| | <i>Notes</i> | 30 June 2015 (Unaudited) RMB '000 | 31 December 2014 (Audited) RMB '000 |
|--|--------------|--|--|
| Non-current assets | | | |
| Property, plant and equipment | 9 | 210,938 | 226,512 |
| Investment properties | 10 | 24,295 | 24,324 |
| Prepaid land lease payments | 11 | 19,121 | 19,365 |
| Other intangible assets | | 1,881 | 2,151 |
| Deferred tax assets | | 9,033 | 9,145 |
| Total non-current assets | | 265,268 | 281,497 |
| Current assets | | | |
| Inventories | | 113,967 | 88,040 |
| Trade and bills receivables | 12 | 187,669 | 188,228 |
| Prepayments, deposits and other receivables | | 12,135 | 15,454 |
| Due from related parties | | 3,821 | 5,410 |
| Pledged bank deposits | | 7,332 | 24,691 |
| Cash and bank balances | | 31,128 | 27,746 |
| Total current assets | | 356,052 | 349,569 |
| Current liabilities | | | |
| Trade and bills payables | 13 | 84,244 | 93,071 |
| Deferred income, accruals and other payables | | 27,680 | 32,086 |
| Tax payable | | 17,127 | 17,194 |
| Bank loans | | 80,972 | 67,364 |
| Dividends payable | | 83 | 84 |
| Total current liabilities | | 210,106 | 209,799 |
| Net current assets | | 145,946 | 139,770 |
| Total assets less current liabilities | | 411,214 | 421,267 |

| | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|---|---|---|
| Non-current liabilities | | |
| Deferred income | 23,423 | 23,999 |
| Deferred tax liabilities | 3,171 | 3,634 |
| | <hr/> | <hr/> |
| Total non-current liabilities | 26,594 | 27,633 |
| | <hr/> | <hr/> |
| NET ASSETS | 384,620 | 393,634 |
| | <hr/> <hr/> | <hr/> <hr/> |
| CAPITAL AND RESERVES | | |
| Share capital | 3,840 | 3,824 |
| Reserves | 380,780 | 389,810 |
| | <hr/> | <hr/> |
| TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | 384,620 | 393,634 |
| | <hr/> <hr/> | <hr/> <hr/> |

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

30 June 2015

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands on 6 March 2007 as an exempted company with limited liability in the Cayman Islands under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised). The Company's registered office address is the office of Codon Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands, and the head office and the principal place of business of the Company are located at EYANG Building, No.3 Qimin Street, No. 2 Langshan Road, North Area, Hi-Tech Industrial Park, Nanshan District, Shenzhen, the PRC.

The Company is a subsidiary of EY OCEAN Management Limited ("EY OCEAN"), a company incorporated in the British Virgin Islands. EY OCEAN is considered by the Directors as the Company's ultimate holding company.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim condensed consolidated financial statements for the six months ended 30 June 2015 have been prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting".

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2014.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014, except for the adoption of the new and revised standards and interpretations that are effective for Group's current accounting period, noted below:

| | |
|---------------------|--|
| Amendments to IFRSs | Annual Improvements to IFRSs 2010 – 2012 Cycle |
| Amendments to IFRSs | Annual Improvements to IFRSs 2011 – 2013 Cycle |

The adoption of these new amendments and revised standards and interpretations has no significant financial effect on these financial statements and there have been no significant changes to the accounting policies applied in these financial statements.

3. OPERATING SEGMENT INFORMATION

The MLCC segment is the only major continuing reportable operating segment of the Group engaging in manufacture and sale of MLCC and trading of MLCC. Accordingly, no further business segment information is provided.

The following tables present geographic information for the Group's revenue:

Revenue from external customers

| | Six months ended 30 June | |
|-----------------------------------|---|---|
| | 2015 (Unaudited) RMB'000 | 2014 (Unaudited) RMB'000 |
| Mainland China | 164,808 | 171,057 |
| Regions other than Mainland China | 46,608 | 44,388 |
| | 211,416 | 215,445 |

4. REVENUE, OTHER REVENUE AND OTHER NET INCOME

Revenue, which is also the Group's turnover, represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of revenue, other revenue and other net income is as follows:

| | Six months ended 30 June | |
|---|---|---|
| | 2015 (Unaudited) RMB'000 | 2014 (Unaudited) RMB'000 |
| Revenue | | |
| Sale of MLCC | 211,416 | 215,445 |
| Other revenue and other net income | | |
| Bank interest income | 221 | 1,431 |
| Rental income | 3,630 | 3,235 |
| Government grants | 1,408 | 770 |
| Amortization of deferred income | 397 | 528 |
| Sale of materials | 202 | 93 |
| Management fee income | 374 | - |
| Exchange income | - | 127 |
| Others | 156 | 33 |
| | 6,388 | 6,217 |
| | 217,804 | 221,662 |

5. FINANCE COSTS

| | Six months ended 30 June | |
|------------------------|--------------------------------|--------------------------------|
| | 2015 (Unaudited) RMB'000 | 2014 (Unaudited) RMB'000 |
| Interest on bank loans | <u>2,083</u> | <u>2,392</u> |

6. INCOME TAX

| | Six months ended 30 June | |
|---------------------------------|--------------------------------|--------------------------------|
| | 2015 (Unaudited) RMB'000 | 2014 (Unaudited) RMB'000 |
| Current – Mainland China | | |
| Charge for the period | - | 766 |
| Deferred | <u>(344)</u> | <u>(1,249)</u> |
| Total tax credit for the period | <u>(344)</u> | <u>(483)</u> |

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempt from the payment of the Cayman Islands income tax.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the period.

The subsidiaries of the Company in Mainland China were subject to pay enterprise income tax at the standard rate of 25% (six months ended 30 June 2014: 25%) on their respective taxable income during the period.

7. DIVIDENDS

The Board resolved not to declare any interim dividend for the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

8. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the six months ended 30 June 2015 attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares of 407,600,000 (six months ended 30 June 2014: 405,500,000) in issue during the period.

No adjustment has been made to the basic loss per share amounts presented for the six months ended 30 June 2015 and 2014 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic loss per share amounts presented.

9. PROPERTY, PLANT AND EQUIPMENT

| | | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|--|--------------|---|---|
| | <i>Notes</i> | | |
| Carrying amount at 1 January | | 226,512 | 261,167 |
| Additions | | 5,384 | 27,113 |
| Transfer from investment properties | <i>10</i> | - | 1,513 |
| Transfer to investment properties | <i>10</i> | (292) | (8,132) |
| Disposals | | (1,670) | (1,488) |
| Depreciation | | (18,996) | (47,090) |
| Impairment | | - | (6,571) |
| | | <hr/> 210,938 <hr/> | <hr/> 226,512 <hr/> |
| Carrying amount at 30 June/31 December | | 210,938 | 226,512 |

The Group's buildings are held under medium term leases in Mainland China.

Certificates of ownership in respect of certain buildings of the Group located in Dongguan with a net carrying amount of approximately RMB4,028,000 as at 30 June 2015 (RMB4,165,000 as at 31 December 2014) have not yet been issued by the relevant PRC authorities.

10. INVESTMENT PROPERTIES

| | | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|--|--------------|---|---|
| | <i>Notes</i> | | |
| Carrying amount at 1 January | | 24,324 | 18,296 |
| Transfer from property, plant and equipment | <i>9</i> | 292 | 8,132 |
| Transfer to owner-occupied property | <i>9</i> | - | (1,513) |
| Depreciation provided during the period/year | | (321) | (591) |
| | | <hr/> 24,295 <hr/> | <hr/> 24,324 <hr/> |
| Carrying amount at 30 June/31 December | | 24,295 | 24,324 |

The Group's investment properties are held under medium term leases and are situated in Mainland China.

11. PREPAID LAND LEASE PAYMENTS

| | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|--|---|---|
| Carrying amount at 1 January | 19,853 | 20,341 |
| Amortization provided during the period/year | <u>(244)</u> | <u>(488)</u> |
| Carrying amount at 30 June/31 December | 19,609 | 19,853 |
| Current portion included in prepayments, deposits and other receivables | <u>(488)</u> | <u>(488)</u> |
| Non-current portion | <u>19,121</u> | <u>19,365</u> |

The Group's leasehold land is held under a medium term lease and is situated in Mainland China.

12. TRADE AND BILLS RECEIVABLES

| | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|-----------------------------|---|---|
| Trade and bills receivables | 193,552 | 194,111 |
| Impairment | <u>(5,883)</u> | <u>(5,883)</u> |
| | <u>187,669</u> | <u>188,228</u> |

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date, and the amount of bill receivable are as follows:

| | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|------------------|---|---|
| Within 90 days | 119,250 | 115,748 |
| 91 to 180 days | 7,472 | 18,545 |
| 181 to 360 days | 1,211 | 60 |
| 1 to 2 years | 182 | - |
| Over 2 years | <u>5,884</u> | <u>5,884</u> |
| | 133,999 | 140,237 |
| Bills receivable | <u>59,553</u> | <u>53,874</u> |
| | <u>193,552</u> | <u>194,111</u> |

13. TRADE AND BILLS PAYABLES

| | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|----------------|---|---|
| Trade payables | 67,217 | 80,529 |
| Bills payables | <u>17,027</u> | <u>12,542</u> |
| | <u>84,244</u> | <u>93,071</u> |

(a) An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

| | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|-----------------|---|---|
| Within 90 days | 60,055 | 67,246 |
| 91 to 180 days | 6,614 | 12,222 |
| 181 to 360 days | 77 | 872 |
| 1 to 2 years | 81 | 40 |
| Over 2 years | <u>390</u> | <u>149</u> |
| | <u>67,217</u> | <u>80,529</u> |

(b) An aged analysis of the bills payables as at the end of the reporting period based on bills issue date, is as follows:

| | 30 June 2015 (Unaudited) RMB'000 | 31 December 2014 (Audited) RMB'000 |
|----------------|---|---|
| Within 90 days | <u>17,027</u> | <u>12,542</u> |

DIVIDENDS

The Board resolved not to declare any interim dividend for the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed shares of the Company during the six months ended 30 June 2015.

CORPORATE GOVERNANCE

During the six months period ended 30 June 2015, the Company had complied with the code provisions set out in the Corporate Governance Code stipulated in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited except code provision A.2.1. The Company does not have a separate Chairman and Chief Executive Officer and Mr. Chen Weirong currently holds both positions. The Board believes that vesting the roles of both Chairman and Chief Executive Officer in the same person provides the Group with strong and consistent leadership allows for more effective planning and execution of long-term business strategies and enhances the efficiency of decision-making process in response to the changing environment. The Independent Non-executive Directors of the Board, who had diverse skills, experience and expertise, served as a balance of power inside the Board so as to safeguard the interests of different stakeholders of the Company.

MODEL CODE FOR DEALING SECURITIES BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors of the Company (the “Company Code”) on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules. Following specific enquiry of all directors of the Company, all directors have confirmed that they had complied with the required standard set out in the Model Code and the Company Code regarding the directors’ securities transactions throughout the six months ended 30 June 2015.

AUDIT COMMITTEE AND INTERIM REVIEW

The Audit Committee, comprising three Independent Non-executive Directors, namely, Mr. Chu Kin Wang, Peleus (Chairman of the Audit Committee), Mr. Liang Rong, and Mr. Xu Xuechuan, is established to review the financial information of the Company and oversee the Company’s financial reporting system and internal control procedures. The Audit Committee has reviewed the Group’s unaudited condensed consolidated interim results for the six months ended 30 June 2015.

By order of the Board
EYANG Holdings (Group) Co., Limited
Chen Weirong
Chairman

Hong Kong, 12 August 2015

As at the date of this announcement, the Board comprises Mr. Chen Weirong, Mr. Jing Wenping and Mr. Sue Ka Lok as Executive Directors; and Mr. Chu Kin Wang, Peleus, Mr. Liang Rong, and Mr. Xu Xuechuan as Independent Non-executive Directors.