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**WINOX**

## **WINOX HOLDINGS LIMITED**

**盈利時控股有限公司**

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 6838)

### **2015 INTERIM RESULTS**

#### **FINANCIAL HIGHLIGHTS**

- The Group's turnover amounted to HK\$316,496,000, representing a corresponding increase of 26.5%.
- The Group's gross profit amounted to HK\$87,631,000, representing a corresponding increase of 26.8%.
- The Group's profit for the period amounted to HK\$32,154,000, representing a corresponding increase of 69.6%.
- Basic earnings per share amounted to HK6.4 cents, representing a corresponding increase of 68.4%.
- The Board declared an interim dividend of HK3 cents per ordinary share for the six months ended 30 June 2015.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

##### **BUSINESS REVIEW**

During the six months ended 30 June 2015, Winox Holdings Limited ("Company", together with its subsidiaries, "Group") recorded a growth of 26.5% in turnover, which was mainly due to the increase in sales of watch bracelets and costume jewellery. Despite the satisfactory increase in turnover, the Group's profit margin was still hindered by the continuous escalated staff and labour costs and remained at the similar level as compared to the same period of last year. We shall remain prudent and implement stringent cost control policy and advance our supply chain management for the sustainable development of the Group.

The principal focus of the Group is on the development and manufacture of premium stainless steel products, and our major business segments are, namely, watch bracelets, costume jewellery, accessories and parts for leather goods, and mobile phone cases and parts.

During the six months ended 30 June 2015, the construction work for the first phase development of our Dongfeng Village Factory has completed and certain areas have been equipped for the production of costume jewellery, and mobile phone cases and parts.

## **FINANCIAL REVIEW**

### **Turnover**

For the six months ended 30 June 2015, the Group's unaudited consolidated turnover increased by 26.5% to HK\$316,496,000 (2014: HK\$250,212,000) as compared to the same period of last year. Turnover attributable to watch bracelets, costume jewellery, accessories and parts for leather goods, and mobile phone cases and parts were 66.4%, 30.6%, 1.9% and 1.1% respectively (2014: 68.7%, 25.2%, 5.5% and 0.6% respectively).

In the last six months, global demands of luxury Swiss made watches slightly recovered. As a result, turnover of watch bracelets reported a growth of 22.1% to HK\$210,052,000 (2014: HK\$172,101,000) during the period.

Turnover of costume jewellery achieved satisfactory growth of 53.5% to HK\$96,727,000 (2014: HK\$62,997,000) compared to the same period of last year which was attributable to the effort we put to maintain our close relationship with our existing prominent customers.

During the period, sales of accessories and parts for leather goods amounted to HK\$6,166,000 (2014: HK\$13,717,000), representing a decrease of 55.0%.

During the period, sales of mobile phone cases and parts was HK\$3,551,000 (2014: HK\$1,397,000), representing an increase of 154.2%. The picking up of sales was due to the results of the ongoing screening and selection of high quality customers exercise implemented in last year.

### **Profit**

As a result of the increase in sales, gross profit increased by 26.8% to HK\$87,631,000 (2014: HK\$69,083,000) as compared to the same period of last year. Gross profit margin for the period slightly increased to 27.7% (2014: 27.6%). Profit for the period increased by 69.6% to HK\$32,154,000 (2014: HK\$18,955,000) and basic earnings per share for the period increased by 68.4% to HK6.4 cents (2014: HK3.8 cents).

## Cost of Sales

Cost of sales included costs of production materials, labour, and manufacturing overhead and other costs. The following table sets forth the breakdowns of our cost of sales for the six months ended 30 June 2015:

	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
Direct material costs	<b>82,331</b>	61,519
Direct labour costs	<b>96,470</b>	70,922
Manufacturing overhead and other costs	<b>50,064</b>	48,688
	<b>228,865</b>	181,129

During the six months ended 30 June 2015, direct material costs accounted for about 36.0% (2014: 34.0%) of the total cost of sales, while direct labour costs, and manufacturing overhead and other costs accounted for about 42.1% and 21.9% (2014: 39.1% and 26.9%) of the total cost of sales respectively.

## Other Income

Other income decreased by approximately 39.2% to HK\$2,568,000 for the six month ended 30 June 2015 as compared to HK\$4,221,000 for the same period last year which was primarily due to no government grant was received during the period under review.

## Other Expenses

Selling and distribution expenses increased by approximately 25.4% to HK\$12,461,000 for the first six months of 2015 as compared to HK\$9,937,000 for the same period in last year which was in line with the increase in sales.

With stringent cost control, administrative expenses increased slightly by 1.1% to HK\$34,662,000 (2014: HK\$34,290,000) during the period.

Finance costs for the six months ended 30 June 2015 amounted to HK\$2,134,000 (2014: HK\$2,065,000), representing an increase of 3.3%.

## Inventories

	<b>At 30 June 2015</b>	At 31 December 2014
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(audited)
Raw materials	<b>19,840</b>	12,714
Work in progress	<b>60,970</b>	50,408
Finished goods	<b>3,112</b>	12,272
	<b>83,922</b>	75,394

As at 30 June 2015, the Group recorded an inventory balance of HK\$83,922,000 (31 December 2014: HK\$75,394,000), representing an increase of 11.3% which was due to the increase in sales. Inventory turnover for the first half of 2015 was 63.0 days as compared to 76.3 days for the first half of 2014.

## Trade Receivables

As at 30 June 2015, the Group recorded trade receivables of HK\$98,332,000 (31 December 2014: HK\$49,039,000). The increase in trade receivables was due to the increase in sales. The credit periods granted to our customers was considered on individual basis ranging from 30 days to 90 days. Generally, no credit would be granted to customers which are new, short-term and placing orders in immaterial scale. As most of our customers are internationally renowned brand owners, we considered we were exposed to relatively minimal default risk. The trade receivables turnover of the Group for the period was 42.1 days (for the year ended 31 December 2014: 31.7 days).

## Trade Payables

As at 30 June 2015, the Group recorded trade payables of HK\$42,226,000 (31 December 2014: HK\$31,238,000). The trade payables were primarily related to the purchase of raw materials from suppliers with credit periods ranging from 30 days to 90 days. The trade payables turnover of the Group for the six months ended 30 June 2015 was 29.0 days (for the year ended 31 December 2014: 23.8 days).

## Liquidity, Indebtedness and Charges on Assets

During the period, the Group sustained a satisfactory liquidity level. As at 30 June 2015, net current assets of the Group was HK\$146,997,000 (31 December 2014: HK\$172,153,000). Besides, the Group maintained cash and bank balances of HK\$121,471,000 (31 December 2014: HK\$177,653,000), of which 35.0% was in Hong Kong dollars, 56.0% was in Renminbi, 8.6% was in Swiss Franc and 0.4% was in United State dollars and other currencies.

The Group's outstanding bank borrowings as at 30 June 2015 was HK\$108,543,000 (31 December 2014: HK\$132,683,000), of which 96.5% was in Hong Kong dollars and 3.5% was in Renminbi. All of the Group's bank borrowings were arranged on floating rate basis. Except for certain bank borrowings which were committed loan

facilities with specific maturity dates, the Group's borrowings contained repayment on demand clause at any time at the discretion of the bank. Under the Hong Kong Accounting Standards, the Group had separated and classified the bank borrowings as current and non-current liabilities in the consolidated statements of financial position as at 30 June 2015 in accordance with the settlement terms. Of the total bank borrowings, according to the repayment schedule, HK\$3,752,000 was short-term revolving loans, HK\$40,143,000 was loans repayable within one year and the balancing of HK\$64,648,000 was repayable after one year.

Part of the bank loans was secured by certain of our Group's assets with an aggregate carrying value of HK\$53,968,000 as at 30 June 2015. The charged assets included a piece of land in Dongguan where our factory was situated, certain properties constructed thereon and the deposits for keyman life insurance policies. The banking facilities to the Company's wholly owned subsidiaries were also secured by corporate guarantees in favour of the bank from the Company.

As at 30 June 2015, the Group's gearing ratio was 0.14 (31 December 2014: 0.18), which was calculated on the basis of outstanding borrowings over the total assets of the Group.

## **Treasury**

The Group adopted conservative treasury policies in cash and financial management. Cash was generally placed in short-term deposits. The Group's liquidity and financing requirements were reviewed regularly.

For the six months ended 30 June 2015, a large amount of the Group's sales was denominated in Hong Kong dollars whereas the foreign currency sales were mainly denominated in United States dollars and Swiss Franc that were contributed to the total turnover of 2.4% and 0.7% respectively (for the six months ended 30 June 2014: 5.3% and 3.2% respectively). The expenses of the Group were mainly denominated in Renminbi. As Hong Kong dollars was pegged with United States dollars and the sales denominated in Swiss Franc was not material, the directors of the Company ("Directors") considered the Group was exposed to limited risk in this aspect. Despite that, the Group's production plants were located in mainland China and the labour costs and manufacturing overhead were mainly denominated in Renminbi. The appreciation of Renminbi might affect the overall production costs of the Group.

During the period, the Group did not use any financial instruments for hedging purposes and the Group did not have any hedging instruments outstanding as at 30 June 2015. We would continue to monitor closely the exchange rate risk arising from the Group's existing operations and new investments in future. We would implement the necessary hedging arrangement to mitigate any significant foreign exchange risk when and if appropriate.

## **Capital Commitments and Significant Investment**

Capital expenditure contracted for by the Group but not yet provided in the unaudited condensed consolidated financial statements as at 30 June 2015 was HK\$14,987,000 (31 December 2014: HK\$30,909,000), which was mainly related to the acquisition of property, plant and equipment. Capital expenditure authorised but not contracted for as at 30 June 2015 amounted to HK\$111,345,000 (31 December 2014: HK\$117,917,000).

## **Contingent Liabilities**

As at 30 June 2015, save for the granting of corporate guarantees by the Company to its wholly-owned subsidiaries as described above, the Group did not have any significant contingent liabilities.

## **Employment and Remuneration Policy**

As at 30 June 2015, the total number of employees of the Group was approximately 3,987 (2014: 3,146). During the period under review, staff costs (including Directors' emoluments) amounted to approximately HK\$118,239,000 (2014: HK\$90,779,000). Remuneration of the employees which included salary and discretionary bonus was based on the Group's results and individual performance. Medical and retirement benefits schemes were made available to all levels of personnel.

The Company had adopted a share option scheme to incentivise its senior management and employees. As at 30 June 2015, no options have been granted by the Company pursuant to the share option scheme.

## **PROSPECTS**

We believe that there is a steady and increasing demand on precision stainless steel products. We aim at taking advantage of utilizing our strengths and expertise to explore new business opportunities in order to alleviate concentration risk.

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

Six months ended 30 June

	Notes	2015 HK\$'000 ( <i>unaudited</i> )	2014 HK\$'000 ( <i>unaudited</i> )
Turnover	3	<b>316,496</b>	250,212
Cost of sales		<b>(228,865)</b>	(181,129)
Gross profit		<b>87,631</b>	69,083
Other income		<b>2,568</b>	4,221
Other gains and losses		<b>(477)</b>	(1,853)
Selling and distribution expenses		<b>(12,461)</b>	(9,937)
Administrative expenses		<b>(34,662)</b>	(34,290)
Finance costs		<b>(2,134)</b>	(2,065)
Profit before taxation	4	<b>40,465</b>	25,159
Taxation	5	<b>(8,311)</b>	(6,204)
Profit for the period		<b>32,154</b>	18,955
Other comprehensive income (expense)			
Item that may be subsequently reclassified to profit or loss			
- Exchange differences on translation of financial statements of foreign operation		<b>804</b>	(11,506)
Total comprehensive income for the period attributable to owners of the Company		<b>32,958</b>	7,449
Earnings per share - Basic	7	<b>HK6.4 cents</b>	HK3.8 cents

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		At 30 June 2015 HK\$'000 ( <i>unaudited</i> )	At 31 December 2014 HK\$'000 ( <i>audited</i> )
Non-current assets			
Property, plant and equipment	8	<b>357,108</b>	337,560
Prepaid lease payments		<b>36,556</b>	36,952
Deposit for land use right		<b>22,708</b>	22,685
Deposits paid for acquisition of property, plant and equipment		<b>10,374</b>	13,689
Deposit and prepayments for a life insurance policy		<b>4,462</b>	4,588
		<b>431,208</b>	415,474
Current assets			
Inventories		<b>83,922</b>	75,394
Trade and other receivables	9	<b>121,274</b>	69,515
Bank balances and cash		<b>121,471</b>	177,653
		<b>326,667</b>	322,562
Current liabilities			
Trade and other payables	10	<b>85,694</b>	72,388
Taxation payable		<b>11,267</b>	3,552
Bank borrowings – amount due within one year	11	<b>82,709</b>	74,469
		<b>179,670</b>	150,409
Net current assets		<b>146,997</b>	172,153
Total assets less current liabilities		<b>578,205</b>	587,627
Non-current liability			
Bank borrowings – amount due after one year	11	<b>25,834</b>	58,214
		<b>552,371</b>	529,413
Capital and reserves			
Share capital		<b>50,000</b>	50,000
Reserves		<b>502,371</b>	479,413
		<b>552,371</b>	529,413



## NOTES

### 1. Basis of Preparation

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

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

### 2. Principal Accounting Policies

The condensed consolidated financial statements have been prepared on the historical cost basis.

Except as described below, the accounting policies and method of computation used in the condensed consolidated financial statements for the six months ended 30 June 2015 are the same as those followed in the preparation of the Group’s consolidated financial statements for the year ended 31 December 2014.

In the current interim period, the Group has applied, for the first time, the following amendments of Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant for the preparation of the Group’s condensed consolidated financial statements:

Amendments to HKAS 19	Defined benefit plans: Employee contributions
Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

### 3. Turnover and Segment Information

The Group's operating activities are attributable to a single reporting segment focusing on manufacture and trading of stainless steel products. This reportable segment has been identified on the basis of internal management reports prepared in accordance with accounting policies that conform to HKFRSs, that are regularly reviewed by the chief operating decision makers (the "CODM"), who are the members of executive directors of the Company. The CODM regularly reviews revenue analysis by products, including watch bracelets, costume jewellery, accessories and parts for leather goods, and mobile phone cases and parts, and by locations of customers, including Switzerland, Liechtenstein, Hong Kong, the People's Republic of China ("PRC") and other countries. However, other than revenue analysis, no operating results and other discrete financial information is available for the assessment of performance by respective products and locations of customers. The CODM reviews the results of the Group as a whole to make decisions. Accordingly, no analysis of this single reporting segment is presented.

Turnover represents the fair value of the consideration received or receivable for goods sold to outside customers during the period.

Turnover by products are as follows:

	Six months ended	
	<u>30.6.2015</u>	<u>30.6.2014</u>
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Watch bracelets	210,052	172,101
Costume jewellery	96,727	62,997
Accessories and parts for leather goods	6,166	13,717
Mobile phone cases and parts	3,551	1,397
	<hr/> <b>316,496</b>	<hr/> 250,212

Turnover from external customers based on locations of customers attributed to the Group by geographical areas are as follows:

	Six months ended	
	<u>30.6.2015</u>	<u>30.6.2014</u>
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Switzerland	205,502	168,305
Liechtenstein	90,434	49,766
Hong Kong	10,814	15,867
PRC	3,078	1,553
Other countries	6,668	14,721
	<hr/> <b>316,496</b>	<hr/> 250,212

### 3. Turnover and Segment Information – continued

Turnover from customers of the corresponding period contributing over 10% of the total turnover of the Group are as follows:

	Six months ended	
	<u>30.6.2015</u>	<u>30.6.2014</u>
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Customer A <sup>1</sup>	189,079	141,700
Customer B <sup>2</sup>	90,434	49,766

Notes:

<sup>1</sup> Turnover from sales of watch bracelets

<sup>2</sup> Turnover from sales of costume jewellery, and accessories and parts for leather goods

### 4. Profit Before Taxation

	Six months ended	
	<u>30.6.2015</u>	<u>30.6.2014</u>
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Profit before taxation has been arrived at after charging:		
Cost of inventories recognised as expenses	219,391	174,767
Depreciation of property, plant and equipment	15,164	12,047
Release of prepaid lease payments	416	410
Bank interest income	(933)	(256)
(Gain) loss on disposal of property, plant and equipment	(9)	222
Net foreign exchange loss	486	1,631
Write-off of trade receivables	-	2,494

## 5. Taxation

Six months ended	
<u>30.6.2015</u>	<u>30.6.2014</u>
HK\$'000	HK\$'000
(unaudited)	(unaudited)

The charge comprises:

Current tax:

Hong Kong Profits Tax	<b>5,543</b>	3,491
PRC Enterprise Income Tax ("PRC EIT")	<b>2,768</b>	2,713
	<b>8,311</b>	6,204

### Hong Kong Profits Tax

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

### PRC EIT

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the group entities in the PRC is 25% from 1 January 2008 onwards.

## 6. Dividends

During the current interim period, a final dividend of HK2 cents per ordinary share in respect of the year ended 31 December 2014 (2014: HK1 cent per ordinary share in respect of the year ended 31 December 2013) was declared and paid to the shareholders of the Company. The aggregate amount of the final dividend declared and paid in the current interim period amounted to HK\$10,000,000 (2014: HK\$5,000,000).

On 24 August 2015, the board of directors of the Company has resolved to declare an interim dividend of HK3 cents per ordinary share totalling not less than HK\$15,000,000 for the six months ended 30 June 2015 (six months ended 30 June 2014: HK2 cents per ordinary share totalling not less than HK\$10,000,000). The interim dividend will be payable on or about 25 September 2015 to the shareholders of the Company whose names appear on the register of members on 11 September 2015.

## 7. Earnings Per Share

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended	
	<u>30.6.2015</u>	<u>30.6.2014</u>
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Earnings for the purposes of calculating basic earnings per share (profit for the period attributable to owners of the Company)	<u>32,154</u>	<u>18,955</u>
	Number of Shares	
Number of shares for the purpose of calculating basic earnings per share	<u>500,000,000</u>	<u>500,000,000</u>

No dilutive earnings per share is presented as there are no potential dilutive ordinary shares during both periods.

## 8. Movements in Property, Plant and Equipment

During the current interim period, the Group incurred approximately HK\$35,067,000 (six months ended 30 June 2014: HK\$30,863,000) mainly for additions to manufacturing plants in PRC for upgrading and expanding its manufacturing capacity.

## 9. Trade and Other Receivables

The following is an aging analysis of trade receivables presented based on the invoice date, which approximated the revenue recognition date:

	At	At
	30 June	31 December
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(audited)
0 to 30 days	82,860	35,572
31 to 60 days	13,278	8,678
61 to 90 days	1,307	3,092
Over 90 days	887	1,697
	<u>98,332</u>	<u>49,039</u>

The Group allows a credit period ranging from 30 to 90 days to its trade customers. A longer credit period may be granted to large or long-established customers with good payment history.

Included in other receivables is an amount of HK\$834,000 (31 December 2014: HK\$818,000), representing the current portion of the Group's prepaid lease payments.

## 10. Trade and Other Payables

The following is an aging analysis of trade payables presented based on the invoice date:

	At 30 June 2015 HK\$'000 (unaudited)	At 31 December 2014 HK\$'000 (audited)
0 to 30 days	23,530	11,566
31 to 60 days	15,582	10,899
61 to 90 days	2,110	6,425
Over 90 days	1,004	2,348
	<u>42,226</u>	<u>31,238</u>

## 11. Bank Borrowings

During the current interim period, the Group obtained new bank borrowings of HK\$3,740,000 (six months ended 30 June 2014: HK\$40,027,000) and repaid bank borrowings of HK\$27,885,000 (six months ended 30 June 2014: HK\$30,986,000). The existing borrowings carry variable interest rates at (i) 3.25% over Hong Kong Interbank Offered Rate, which is repayable up to a period of 7 years based on the repayment schedule and contains a repayment on demand clause at any time after 2 years from the drawdown date at the discretion of the bank; and (ii) 2.7% over the People's Bank of China Standard Loan interest rate, which contains a repayment on demand clause at any time. The proceeds are used to finance the Group's operation and the acquisition of property, plant and equipment.

# **CORPORATE GOVERNANCE AND OTHER INFORMATION**

## **CORPORATE GOVERNANCE**

Winox Holdings Limited (“Company”, together with its subsidiaries, “Group”) is committed to establish and maintain high standard of corporate governance and believes that good corporate governance system provides a sustainable and solid foundation for the Company to manage business risks, enhance transparency, advance accountability and maximize shareholders’ interests.

The Company has applied the principles of the Corporate Governance Code (“CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and complied with all the applicable code provisions of the CG Code throughout the six months ended 30 June 2015, save and except for the deviations from code provisions A.2.1, A.2.7 and A.6.7.

Under code provision A.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yiu Hon Ming is the Chairman and Managing Director (being defined as chief executive under the CG Code) of the Company who is responsible for overseeing the overall operations of the Group. Mr. Yiu is the founder of the Group who possesses comprehensive knowledge and experience of the industry and has in-depth understanding of the Group’s overall operations. The directors of the Company (“Directors”) consider this structure is conducive to strong and consistent leadership, effective and efficient planning and implementation of business decisions and strategies of the Company. The board of Directors (“Board”) meets regularly to discuss major matters affecting the Group’s operations and considers this structure does not impair the balance of power and authority between the Board and the management of the Group.

Under code provision A.2.7, the chairman should at least annually hold meetings with the non-executive directors (including independent non-executive directors) without the executive directors present. Taking into account Mr. Yiu Hon Ming, the Chairman and Managing Director of the Company, is also an Executive Director, no meeting shall therefore be held between the Chairman and Non-executive Directors without the Executive Directors present.

Under code provision A.6.7, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. An Independent Non-executive Director was unable to attend the Company’s annual general meeting held on 26 May 2015 due to his other business engagement.

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

During the six months ended 30 June 2015, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”) as set out in Appendix 10 to the Listing Rules as its own code of conduct for dealing in the securities of the Company by the Directors. Having made specific enquiry to all Directors, all Directors confirmed that they complied with the required standard of dealings as set out in the Model Code throughout the six months ended 30 June 2015.

## **INTERIM DIVIDEND**

The Board has declared an interim dividend of HK3 cents per ordinary share for the six months ended 30 June 2015. The interim dividend will be payable on or about Friday, 25 September 2015 to shareholders of the Company whose names appear on the Company’s register of members on Friday, 11 September 2015.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed and no transfer of shares will be registered on Friday, 11 September 2015 for the purpose of determining shareholders’ entitlements to the interim dividend for the six months ended 30 June 2015.

To qualify for the interim dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company’s Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 10 September 2015.

## **REVIEW OF INTERIM RESULTS**

The interim results of the Company for the six months ended 30 June 2015 are unaudited, but have been reviewed 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, by Messrs. Deloitte Touche Tohmatsu whose unmodified review report is included in the interim report to be sent to the Company’s shareholders. The interim results have also been reviewed by the Audit Committee of the Company.



## **APPRECIATION**

On behalf of the Board, I would like to express my gratitude to all our customers, suppliers and shareholders for their continuous support to the Group. I would also like to thank our team of dedicated staff for their invaluable services and contributions to the Group throughout the period.

By Order of the Board  
**Yiu Hon Ming**  
*Chairman and Managing Director*

Hong Kong • 24 August 2015

As at the date of this announcement, the Board comprises (a) five Executive Directors, namely, Mr. Yiu Hon Ming, Ms. Law Wai Ping, Mr. Chau Kam Wing Donald, Mr. Li Chin Keung and Ms. Yiu Ho Ting; (b) one Non-Executive Director, namely, Mr. Au Wai Ming; and (c) three Independent Non-Executive Directors, namely, Mr. Carson Wen, Professor Wong Lung Tak Patrick and Mr. Wu Ming Lam.