LONGCHEER HOLDINGS LIMITED

Incorporated in Bermuda
Company Registration No. 35673

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE YEAR ENDED 30 JUNE 2014

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1 (a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group Income Statement for quarter / year ended 30 June 2014. These figures have not been audited.

Income Statement For 4th Quarter / Year ended 30 June

	<----------The Group---------->					
	FY2014 4th Qtr 1 Apr 14 to 30 Jun 14 **RMB'000**	**FY2013 4th Qtr** 1 Apr 13 to 30 Jun 13 **RMB'000**	**+/(-) %**	**FY2014 Full Year** 1 Jul 13 to 30 Jun 14 **RMB'000**	**FY2013 Full Year** 1 Jul 12 to 30 Jun 13 **RMB'000**	**+/(-) %**
Revenue	**1,305,755**	**1,273,077**	**3**	**5,454,975**	**3,945,945**	**38**
Cost of sales	(1,238,703)	(1,185,507)	4	(5,075,885)	(3,651,373)	39
Gross profit	**67,052**	**87,570**	**-23**	**379,090**	**294,572**	**29**
Other income	4,437	3,221	38	8,769	11,536	-24
Distribution costs	(13,058)	(12,817)	2	(57,881)	(38,407)	51
Administrative expenses	(54,624)	(53,683)	2	(263,824)	(209,999)	26
Other operating expenses	(422)	(8,221)	-95	(11,712)	(9,631)	22
Finance income	24,011	8,813	172	51,495	29,274	76
Share of results of associates	9,193	(1,971)	nm	13,424	2,008	569
Finance costs	(217)	(1,611)	-87	(2,372)	(12,367)	-81
Profit before income tax	**36,372**	**21,301**	**71**	**116,989**	**66,986**	**75**
Income tax expense	(19,720)	(3,518)	461	(30,468)	(8,088)	277
Profit for the period / year	**16,652**	**17,783**	**-6**	**86,521**	**58,898**	**47**
Profit for the period / year attributable to:						
Owners of the Company	16,652	20,698	-20	85,841	59,638	44
Non-controlling interests	-	(2,915)	nm	680	(740)	nm
	16,652	**17,783**	**-6**	**86,521**	**58,898**	**47**

LONGCHEER HOLDINGS LIMITED

Incorporated in Bermuda
Company Registration No. 35673

Statement of Comprehensive Income

	<----------The Group---------->					
	FY2014 4th Qtr 1 Apr 14 to 30 Jun 14 **RMB'000**	**FY2013 4th Qtr** 1 Apr 13 to 30 Jun 13 **RMB'000**	**+/(-) %**	**FY2014 Full Year** 1 Jul 13 to 30 Jun 14 **RMB'000**	**FY2013 Full Year** 1 Jul 12 to 30 Jun 13 **RMB'000**	**+/(-) %**
Profit for the period / year	**16,652**	**17,783**	**-6**	**86,521**	**58,898**	**47**
Other comprehensive income, net of tax						
Items that may be reclassified subsequently to profit or loss:						
Change in fair value on available-for-sale financial assets	(100)	(58)	72	662	(48)	nm
Reclassification adjustment						
- Disposal of subsidiaries	-	-	nm	6,026	-	nm
Currency translation						
- Group	134	76	76	(1,518)	(1,124)	35
- Associates	(605)	(1,313)	-54	(237)	(1,247)	-81
- Available-for-sale financial assets	-	(51)	nm	(13)	(83)	-84
Other comprehensive income for the period / year, net of tax amounting to nil	**(571)**	**(1,346)**	**-58**	**4,920**	**(2,502)**	**nm**
Total comprehensive income for the period / year	**16,081**	**16,437**	**-2**	**91,441**	**56,396**	**62**
Total comprehensive income attributable to:						
Owners of the Company	16,081	19,352	-17	90,761	57,136	59
Non-controlling interests	-	(2,915)	nm	680	(740)	nm
	16,081	**16,437**	**-2**	**91,441**	**56,396**	**62**

nm: Not meaningful / material

Notes:

(i) Profit before tax is determined after crediting / (charging) the following:

	<----------The Group---------->					
	FY2014 4th Qtr 1 Apr 14 to 30 Jun 14 **RMB'000**	**FY2013 4th Qtr** 1 Apr 13 to 30 Jun 13 **RMB'000**	**+/(-) %**	**FY2014 Full Year** 1 Jul 13 to 30 Jun 14 **RMB'000**	**FY2013 Full Year** 1 Jul 12 to 30 Jun 13 **RMB'000**	**+/(-) %**
(a) Interest income	23,101	6,430	259	45,906	20,460	124
(b) Interest income on other receivables	910	2,383	-62	5,589	8,814	-37
(c) Interest expenses	(217)	(1,611)	-87	(2,372)	(12,367)	-81
(d) Amortisation of land use rights	(100)	(100)	-	(399)	(399)	-
(e) Amortisation of intangible assets	(696)	(1,468)	-53	(3,875)	(6,116)	-37
(f) Depreciation of property, plant and equipment	(2,475)	(2,459)	1	(9,689)	(11,186)	-13
(g) Foreign exchange gain / (loss)	1,122	(5,676)	nm	(4,452)	(6,704)	-34
(h) Gain / (loss) on disposal of property, plant and equipment, net	493	(48)	nm	(263)	(222)	18
(i) Write off of intangible assets	(22)	(8)	175	(188)	(8)	2,250
(j) Loss on disposal of subsidiaries	-	-	nm	(4,570)	-	nm
(k) Gain on disposal of interest in an associate	-	-	nm	147	-	nm
(l) Allowance for and write down of inventories	(8,856)	(12,278)	-28	(55,043)	(29,854)	84
(m) Equity-settled share-based payment expenses	(179)	(521)	-66	801	2,909	-72
(n) Fair value gain on investment properties	-	2,500	nm	-	2,500	nm

(ii) Finance income includes interest income and interest income on other receivables.

LONGCHEER HOLDINGS LIMITED

Incorporated in Bermuda
Company Registration No. 35673

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Statement of Financial Position

	<-------- Group-------->		<------ Company----->	
	As at 30 Jun 14 RMB'000	**As at 30 Jun 13 RMB'000**	**As at 30 Jun 14 RMB'000**	**As at 30 Jun 13 RMB'000**
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	88,748	87,265	-	-
Investment properties	144,600	144,600	-	-
Land use rights	18,323	18,722	-	-
Intangible assets	2,832	4,736	-	-
Deposits paid	20,815	-	-	-
Interests in subsidiaries	-	-	166,186	166,893
Interests in associates	94,236	75,041	-	-
Available-for-sale financial assets	4,056	3,407	-	-
	373,610	**333,771**	**166,186**	**166,893**
Current assets				
Cash and deposit balances	227,707	187,215	2,238	1,589
Restricted balances in banks and pledged deposits	1,028,377	512,687	-	-
Financial assets at fair value through profit or loss	23,380	-	23,380	-
Available-for-sale financial assets	10,000	-	-	-
Amounts due from subsidiaries	-	-	143,613	47,911
Note receivables	57,455	340,207	-	-
Trade receivables	456,350	533,708	-	-
Other receivables	118,601	183,340	-	-
Trade deposits paid to suppliers	1,911	12,293	-	-
Inventories	378,719	329,645	-	-
	2,302,500	**2,099,095**	**169,231**	**49,500**
Current liabilities				
Bank borrowings	77,854	78,194	-	-
Trade and bill payables	1,577,794	1,502,901	-	-
Amounts due to subsidiaries	-	-	44,744	29,259
Other payables	186,338	106,302	27,506	2,847
Trade deposits received from customers	120,210	84,172	-	-
Income tax payable	28,290	6,854	-	-
	1,990,486	**1,778,423**	**72,250**	**32,106**
Net current assets	**312,014**	**320,672**	**96,981**	**17,394**
Net assets	**685,624**	**654,443**	**263,167**	**184,287**
EQUITY				
Equity attributable to owners of the Company				
Share capital	65,608	65,608	65,608	65,608
Treasury shares	(90,042)	(90,231)	(90,042)	(90,231)
Reserves	710,058	616,841	287,601	208,910
	685,624	**592,218**	**263,167**	**184,287**
Non-controlling interests	-	62,225	-	-
Total equity	**685,624**	**654,443**	**263,167**	**184,287**

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable within 1 year or less, or on demand

As at 30 June 2014	
Secured **RMB'000**	Unsecured **RMB'000**
77,854	-

As at 30 June 2013	
Secured **RMB'000**	Unsecured **RMB'000**
78,194	-

Amount repayable after 1 year

As at 30 June 2014	
Secured **RMB'000**	Unsecured **RMB'000**
-	-

As at 30 June 2013	
Secured **RMB'000**	Unsecured **RMB'000**
-	-

Details of Collateral for Secured Borrowings: Restricted balances in banks of RMB 50 million and corporate guarantees from a subsidiary of the Group and third parties. Meanwhile, a subsidiary of the Group provide guarantees to the third parties with reference to the terms and conditions in the guarantee provided by the third parties.

1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Cash Flows for 4th Quarter / Year Ended 30 June

	<----------The Group---------->			
	FY2014 4th Qtr 1 Apr 14 to 30 Jun 14 **RMB'000**	**FY2013 4th Qtr** 1 Apr 13 to 30 Jun 13 **RMB'000**	**FY2014 Full Year** 1 Jul 13 to 30 Jun 14 **RMB'000**	**FY2013 Full Year** 1 Jul 12 to 30 Jun 13 **RMB'000**
Cash flow from operating activities:				
Profit before income tax	36,372	21,301	116,989	66,986
Adjustments for:				
Interest income	(23,101)	(6,430)	(45,906)	(20,460)
Interest income on other receivables	(910)	(2,383)	(5,589)	(8,814)
Interest expenses	217	1,611	2,372	12,367
Allowance for and write down of inventories	8,856	12,278	55,043	29,854
Amortisation of land use rights	100	100	399	399
Amortisation of intangible assets	696	1,468	3,875	6,116
Depreciation of property, plant and equipment	2,475	2,459	9,689	11,186
(Gain) / loss on disposal of property, plant and equipment	(493)	48	263	222
Write off of intangible assets	22	8	188	8
Fair value gain on investment properties	-	(2,500)	-	(2,500)
Share of results of associates	(9,193)	1,971	(13,424)	(2,008)
Dividend received from available-for-sale financial assets	-	-	(164)	-

	<----------The Group---------->			
	FY2014 4th Qtr	**FY2013 4th Qtr**	**FY2014 Full Year**	**FY2013 Full Year**
	1 Apr 14 to 30 Jun 14	1 Apr 13 to 30 Jun 13	1 Jul 13 to 30 Jun 14	1 Jul 12 to 30 Jun 13
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Loss on disposal of subsidiaries	-	-	4,570	-
Gain on disposal of interest in an associate	-	-	(147)	-
Equity-settled share-based payment expenses	179	521	(801)	(2,909)
Operating cash flow before movements in working capital	**15,220**	**30,452**	**127,357**	**90,447**
Decrease / (increase) in trade and note receivables	1,321	(116,746)	314,916	(352,613)
Decrease / (increase) in other receivables and trade deposits paid to suppliers	28,126	(1,236)	(61,952)	(8,675)
Increase in inventories	(106,626)	(30,834)	(108,058)	(257,433)
Increase in trade and bill payables	4,295	89,279	131,002	1,049,265
Increase in other payables and trade deposits received from customers	25,575	55,531	158,991	84,166
Cash (used in) / generated from operations	**(32,089)**	**26,446**	**562,256**	**605,157**
Interest paid	(229)	(2,231)	(2,383)	(12,987)
Income tax (paid) / refund	(2,295)	673	(2,179)	(6,120)
Net cash (used in) / generated from operating activities	**(34,613)**	**24,888**	**557,694**	**586,050**
Cash flow from investing activities:				
Interest received	18,851	6,192	51,698	22,491
Proceeds from disposal of property, plant and equipment	532	2	582	361
Purchase of property, plant and equipment	(5,212)	(2,192)	(15,686)	(6,012)
Deposit paid for acquisition of property, plant and equipment	(20,815)	-	(20,815)	-
Purchase of intangible assets	(96)	(1,107)	(2,786)	(2,404)
Investment in an associate	(600)	-	(600)	-
Dividend received from associates	705	4,493	5,589	4,493
Proceed from disposal of interest in an associate	-	-	1,650	-
Dividend received from available-for-sale financial assets	-	-	164	-
Acquisition of available-for-sale financial assets	(10,000)	-	(10,000)	-
Acquisition of financial assets at fair value through profit or loss	(23,380)	-	(23,380)	-
Disposal of subsidiaries (net of cash and cash equivalents disposed)	-	-	20,879	-
Increase in fixed bank deposits with an original maturity of more than three months	(416)	(463)	(416)	(463)

	<----------The Group---------->			
	FY2014 4th Qtr	**FY2013 4th Qtr**	**FY2014 Full Year**	**FY2013 Full Year**
	1 Apr 14 to 30 Jun 14	1 Apr 13 to 30 Jun 13	1 Jul 13 to 30 Jun 14	1 Jul 12 to 30 Jun 13
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Decrease / (increase) in restricted balances in banks and pledged deposits	92,961	(104,596)	(515,690)	(446,566)
Net cash generated from / (used in) investing activities	**52,530**	**(97,671)**	**(508,811)**	**(428,100)**
Cash flow from financing activities:				
Purchase of treasury shares	-	-	(1,723)	(746)
Proceeds from bank borrowings	57,854	58,188	77,854	78,188
Repayment of bank borrowings	(58,032)	-	(78,032)	(166,968)
Distribution to non-controlling interests upon winding-up of subsidiaries	-	-	(5,238)	-
Net cash (used in) / generated from financing activities	**(178)**	**58,188**	**(7,139)**	**(89,526)**
Net increase / (decrease) in cash and cash equivalents	**17,739**	**(14,595)**	**41,744**	**68,424**
Cash and cash equivalents at the beginning of the period / year	208,233	201,579	186,075	119,014
Effect of foreign exchange rate changes, net	179	(909)	(1,668)	(1,363)
Cash and cash equivalents at the end of the period / year	**226,151**	**186,075**	**226,151**	**186,075**
Analysis of cash and cash equivalents				
Cash and bank deposits	1,254,528	698,762	1,254,528	698,762
Less: Restricted balances in banks and pledged deposits	(1,028,377)	(512,687)	(1,028,377)	(512,687)
Cash and cash equivalents	**226,151**	**186,075**	**226,151**	**186,075**
Fixed bank deposits with an original maturity of more than 3 months	1,556	1,140	1,556	1,140
Cash and deposit balances	**227,707**	**187,215**	**227,707**	**187,215**

LONGCHEER HOLDINGS LIMITED

Incorporated in Bermuda
Company Registration No. 35673

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the Group

	Attributable to owners of the Company												
	Share capital	Treasury shares	Share premium	Capital reserve	Legal reserve	Share award reserve	Trans-lation reserve	Property re-valuation reserve	Available-for-sale financial assets revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jul 2013	**65,608**	**(90,231)**	**138,818**	**64,290**	**74,153**	**2,436**	**(55,868)**	**10,994**	**(48)**	**382,066**	**592,218**	**62,225**	**654,443**
Purchase of treasury shares	-	(1,723)	-	-	-	-	-	-	-	-	(1,723)	-	(1,723)
Arising from share award plan	-	-	-	-	-	(801)	-	-	-	-	(801)	-	(801)
Waive of dividend by non-controlling interests	-	-	-	-	-	-	-	-	-	5,169	5,169	(5,169)	-
Use of treasury shares for share award vested	-	1,912	-	-	-	(747)	-	-	-	(1,165)	-	-	-
Disposal of subsidiaries	-	-	-	(33,744)	(4,462)	-	-	-	-	38,206	-	(52,498)	(52,498)
Winding-up of subsidiaries	-	-	-	-	(858)	-	-	-	-	858	-	(5,238)	(5,238)
Transactions with owners	**-**	**189**	**-**	**(33,744)**	**(5,320)**	**(1,548)**	**-**	**-**	**-**	**43,068**	**2,645**	**(62,905)**	**(60,260)**
Profit for the year	-	-	-	-	-	-	-	-	-	85,841	85,841	680	86,521
Other comprehensive income													
-Change in fair value on available-for-sale financial assets	-	-	-	-	-	-	-	-	662	-	662	-	662
- Reclassification adjustment													
- Disposal of subsidiaries	-	-	-	-	-	-	6,026	-	-	-	6,026	-	6,026
-Currency translation													
- Group	-	-	-	-	-	-	(1,518)	-	-	-	(1,518)	-	(1,518)
- Associates	-	-	-	-	-	-	(237)	-	-	-	(237)	-	(237)
- Available-for-sale financial assets	-	-	-	-	-	-	(13)	-	-	-	(13)	-	(13)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**4,258**	**-**	**662**	**85,841**	**90,761**	**680**	**91,441**
Transfer to legal reserve	-	-	-	-	6,600	-	-	-	-	(6,600)	-	-	-
Balance at 30 Jun 2014	**65,608**	**(90,042)**	**138,818**	**30,546**	**75,433**	**888**	**(51,610)**	**10,994**	**614**	**504,375**	**685,624**	**-**	**685,624**

LONGCHEER HOLDINGS LIMITED

Incorporated in Bermuda
Company Registration No. 35673

	Attributable to owners of the Company												
	Share capital	Treasury shares	Share premium	Capital reserve	Legal reserve	Share award reserve	Trans-lation reserve	Property re- valuation reserve	Available-for-sale financial assets revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jul 2012	**65,608**	**(89,485)**	**138,818**	**64,290**	**69,691**	**5,345**	**(53,414)**	**10,994**	**-**	**321,766**	**533,613**	**68,089**	**601,702**
Arising from share award plan	-	-	-	-	-	(2,909)	-	-	-	-	(2,909)	-	(2,909)
Purchase of non-controlling interests in subsidiary	-	-	-	-	-	-	-	-	-	(3,066)	(3,066)	3,066	-
Waive of dividend by non-controlling interests	-	-	-	-	-	-	-	-	-	8,190	8,190	(8,190)	-
Purchase of treasury shares	-	(746)	-	-	-	-	-	-	-	-	(746)	-	(746)
Transactions with owners	**-**	**(746)**	**-**	**-**	**-**	**(2,909)**	**-**	**-**	**-**	**5,124**	**1,469**	**(5,124)**	**(3,655)**
Profit for the year	-	-	-	-	-	-	-	-	-	59,638	59,638	(740)	58,898
Other comprehensive income													
-Change in fair value on available-for-sale financial assets	-	-	-	-	-	-	-	-	(48)	-	(48)	-	(48)
-Currency translation													
- Group	-	-	-	-	-	-	(1,124)	-	-	-	(1,124)	-	(1,124)
- Associates	-	-	-	-	-	-	(1,247)	-	-	-	(1,247)	-	(1,247)
- Available-for-sale financial assets	-	-	-	-	-	-	(83)	-	-	-	(83)	-	(83)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(2,454)**	**-**	**(48)**	**59,638**	**57,136**	**(740)**	**56,396**
Transfer to legal reserve	-	-	-	-	4,462	-	-	-	-	(4,462)	-	-	-
Balance at 30 Jun 2013	**65,608**	**(90,231)**	**138,818**	**64,290**	**74,153**	**2,436**	**(55,868)**	**10,994**	**(48)**	**382,066**	**592,218**	**62,225**	**654,443**

Statement of Changes in Equity for the Company

Company	Share capital	Treasury shares	Share premium	Share award reserve	Translation reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jul 2013	**65,608**	**(90,231)**	**138,818**	**2,436**	**(83,335)**	**150,991**	**184,287**
Purchase of treasury shares	-	(1,723)	-	-	-	-	(1,723)
Arising from share award plan	-	-	-	(801)	-	-	(801)
Use of treasury shares for share award vested	-	1,912	-	(747)	-	(1,165)	-
Transactions with owners	**-**	**189**	**-**	**(1,548)**	**-**	**(1,165)**	**(2,524)**
Profit for the year	-	-	-	-	-	81,955	81,955
Other comprehensive income							
-Currency translation	-	-	-	-	(551)	-	(551)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(551)**	**81,955**	**81,404**
Balance at 30 Jun 2014	**65,608**	**(90,042)**	**138,818**	**888**	**(83,886)**	**231,781**	**263,167**
Balance at 1 Jul 2012	**65,608**	**(89,485)**	**138,818**	**5,345**	**(78,908)**	**155,850**	**197,228**
Arising from share award plan	-	-	-	(2,909)	-	-	(2,909)
Purchase of treasury shares	-	(746)	-	-	-	-	(746)
Transactions with owners	**-**	**(746)**	**-**	**(2,909)**	**-**	**-**	**(3,655)**
Loss for the year	-	-	-	-	-	(4,859)	(4,859)
Other comprehensive income							
-Currency translation	-	-	-	-	(4,427)	-	(4,427)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**(4,427)**	**(4,859)**	**(9,286)**
Balance at 30 Jun 2013	**65,608**	**(90,231)**	**138,818**	**2,436**	**(83,335)**	**150,991**	**184,287**

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the authorised, issued and paid-up share capital of the Company since the Company's previous announcement.

As at 30 June 2014, the Company held 44,218,750 (30 June 2013: 43,019,250) treasury shares. There were no purchases, sales, transfers, disposal, cancellation and/or use of treasury shares during the 3 months ended 30 June 2014.

As at 30 June 2014, there were 2,530,500 (30 June 2013: 4,399,000) share awards outstanding, which would result in an issue or transfer of an equivalent number of shares in the Company if performance conditions are met.

Details of the Share Award Plan are provided in the Circular to shareholders dated 28 September 2007. In summary, these share awards would vest over a 3-year period, and subject to achievement of certain performance conditions. Shares would be issued or transferred to such participants in accordance with their entitlements of the share awards.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	<----The Company---->	
	As at 30 Jun 14	**As at 30 Jun 13**
Issued shares	396,664,100	396,664,100
Less: Treasury shares	(44,218,750)	(43,019,250)
Total number of issued shares excluding treasury shares	352,445,350	353,644,850

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

During the quarter, no treasury shares were used to satisfy the vesting of an equivalent number of share awards.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computations as stated in the audited financial statements for the year ended 30 June 2013, except for the adoption of revised International Financial Reporting Standards (IFRSs) which became effective for the financial period beginning on 1 July 2013. The adoption of these revised IFRSs did not give rise to significant changes to the financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Refer to note (4) above.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	<----------The Group---------->			
	FY2014 4th Qtr RMB cents	**FY2013 4th Qtr RMB cents**	**FY2014 Full Year RMB cents**	**FY2013 Full Year RMB cents**
Earnings per share	4.72	5.85	24.40	16.83
Weighted average number of shares	352,445,350	353,644,850	351,854,443	354,300,406

There was no dilutive potential ordinary shares. There is no dilution effect from contingently issuable shares arising from the share awards as performance conditions for the current financial year has not been met.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:(a) current financial period reported on; and (b) immediately preceding financial year.

	<----The Group---->		<----The Company--->	
	As at 30 Jun 14 RMB cents	**As at 30 Jun 13 RMB cents**	**As at 30 Jun 14 RMB cents**	**As at 30 Jun 13 RMB cents**
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of period	194.53	167.46	74.67	52.11
Number of shares (excluding treasury shares)	352,445,350	353,644,850	352,445,350	353,644,850

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of the Performance of the Group

Revenue

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

The Group's revenue for Q4 FY14 increased by 3% to RMB 1,305.8 million as compared to RMB 1,273.1 million in Q4 FY13.

The shipment volume in Q4 FY14 decreased to 4.6 million units from 6.7 million units in Q4 FY13. However, the impact of decrease in shipment volume was offset by increase in average selling price per unit from RMB 189.27 in Q4 FY13 to RMB 279.98 in Q4 FY14.

Full Year Review (FY14 vs. FY13)

Revenue for FY14 increased by RMB 1.5 billion or 38% to RMB 5.45 billion compared to RMB 3.95 billion for FY13.

The increase in revenue was attributable to an increase of average selling price per unit from RMB 197.87 in FY13 to RMB 254.02 in FY14 though the shipment volume only increase moderately from 19.7 million units in FY13 to 21.3 million units in FY14.

Gross Profit and Gross Profit Margin

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

Gross profit for Q4 FY14 decreased by 23% to RMB 67.1 million in Q4 FY14 compared to RMB 87.6 million in Q4 FY13. Correspondingly, gross profit margin for Q4 FY14 dropped from 6.88% in Q4 FY13 to 5.14% in Q4 FY14. The decrease in gross profit margin was resulted from severe competition in the 3G smartphones market.

Full Year Review (FY14 vs. FY13)

Gross profit for FY14 increased by RMB 84.5 million or 29% to RMB 379.1 million compared to RMB 294.6 million for FY13. Gross profit margin for FY14 dropped from 7.47% in FY13 to 6.95% in FY14.

The increase in gross profit was mainly attributable to the increase in average selling price per unit. However, this is offset by decrease in gross profit margin due to severe competition in smartphone market.

Other Income

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

Other income increased from RMB 3.2 million in Q4 FY13 to RMB 4.4 million in Q4 FY14 mainly due to receipt of Value-Added-Tax refund from government in Q4 FY14.

Full Year Review (FY14 vs. FY13)

Other income decreased to RMB 8.8 million in FY14 from RMB 11.5 million in FY13 mainly due to fair value gain on investment properties in FY13 and nil in FY14.

Distribution Costs and Administrative Expenses

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

Operating expenses comprising, distribution costs and administrative expenses increased by 2% to RMB 67.7 million in Q4 FY14 as compared to RMB 66.5 million in Q4 FY13.

Distribution costs and administrative expenses to revenue ratio was 5.2% in Q4 FY14 compared to 5.2% in Q4 FY13.

Full Year Review (FY14 vs. FY13)

Operating expenses comprising, distribution costs and administrative expenses increased by 30% to RMB 321.7 million in FY14 as compared to RMB 248.4 million in FY13 mainly due to increase in staff costs associated with increase in business volume and improved profitability during FY14.

Distribution costs and administrative expenses to revenue ratio was 5.9% in FY14 compared to 6.3% in FY13.

Other Operating Expenses

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

Other operating expenses decreased from RMB 8.8 million in Q4 FY13 to RMB 0.4 million in Q4 FY14 mainly due to incurrence of exchange losses of RMB 5.7 million in Q4 FY13 while there was an exchange gain of RMB 1.1 million included in other income.

Full Year Review (FY14 vs. FY13)

Other operating expenses increased from RMB 9.6 million in FY13 to RMB 11.7 million in FY14 which included loss on disposal of subsidiaries of RMB 4.6 million in FY14.

Finance income

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

Finance income comprised of interest income and interest income on other receivable from Yaxin. Interest income increased from RMB 6.4 million in Q4 FY13 to RMB 23.1 million in Q4 FY14 as a result of increase in deposit balances. Average deposits balances including restricted balances in banks and pledged deposits increased from RMB 655.1 million during Q3 FY13 to RMB 1,293.4 million during Q4 FY14.

Interest income on other receivable from Yaxin decreased from RMB 2.4 million in Q4 FY13 to RMB 0.9 million in Q4 FY14 due to decrease in receivable from Yaxin following the partial payment from Yaxin in FY14.

Full Year Review (FY14 vs. FY13)

Interest income increased from RMB 20.5 million in FY13 to RMB 45.9 million in FY14 as a result of increase in deposit balances. Average deposits balances including restricted balances in banks and pledged deposits increased from RMB 442.9 million during FY13 to RMB 978.0 million during FY14.

Interest income on other receivable from Yaxin decreased from RMB 8.8 million in FY13 to RMB 5.6 million in FY14 due to decrease in receivable from Yaxin following the partial payment from Yaxin in FY14.

Share of Results of Associates

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

Share of results of associates turned from a loss of RMB 2.0 million in Q4 FY13 to a profit of RMB 9.2 million in Q4 FY14 mainly due to improvement in performance of the Group's 20%-owned associate Mentech and the inclusion of Tricheer's results in share of results of associates following the completion of capital reduction of Tricheer.

Full Year Review (FY14 vs. FY13)

Share of results of associates increase from RMB 2.0 million in FY13 to RMB 13.4 million in FY14 mainly due to improvement in performance of the Group's 20%-owned associate, Mentech and the inclusion of Tricheer's results in share of results of associates following the completion of capital reduction of Tricheer which resulted the Group's interest in Tricheer reduced from 72.7% to 14.68% .

Finance Costs

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

Finance costs for Q4 FY14 decreased to RMB 0.2 million compared to RMB 1.6 million in Q4 FY13. This was mainly due to decrease in note receivables discounting in Q4 FY14**.**

Full Year Review (FY14 vs. FY13)

Finance costs for FY14 decreased to RMB 2.4 million compared to RMB 12.4 million in FY13. This was mainly due to decrease in average bank borrowings balance from RMB 122.8 million in FY13 to RMB 78.0 million in FY14 and decrease in note receivables discounting in FY14.

Allowance for and write down of inventories

4th Quarter Review (Q4 FY14 vs. Q4 FY13)

Allowance for and write down of inventories decreased by 28% to RMB 8.9 million in Q4 FY14 compared to RMB 12.3 million in Q4 FY13. The decrease was the Group's effort in implementing strict control on inventory management to reduce obsolescence and wastage during production.

Allowance for and write down of inventories as a percentage of cost of sales decreased to 0.71% in Q4 FY14 as compared to 1.04% in Q4 FY13.

The net realisable value of inventories is assessed in accordance with the accounting policies stated in the audited financial statements for the year ended 30 June 2013.

Full Year Review (FY14 vs. FY13)

Allowance for and write down of inventories increased by 84% to RMB 55.0 million in FY14 compared to RMB 29.9 million in FY13. This is mainly due to increase in business volume resulting higher level of inventories of the Group for the year as well as changes in technology trend and recent consumption and usage level of the inventories. Average level of inventories increased by 64% to RMB 354.2 million in FY14 compared to RMB 215.9 million in FY13. The Group has implemented measures in inventory control in Q4 FY14.

Allowance for and write down of inventories as a percentage of cost of sales increased to 1.08% in FY14 as compared to 0.82% in FY13.

The net realisable value of inventories is assessed in accordance with the accounting policies stated in the audited financial statements for the year ended 30 June 2013.

Balance Sheets
(30 June 2014 compared to 30 June 2013)

Property, Plant & Equipment

Property, plant and equipment amounted to RMB 88.7 million as at 30 June 2014 which is mainly attributable to the factory and equipment at the Group's manufacturing base located in Huizhou.

Investment Properties

This mainly relates to the Group's investment properties located in Shanghai and Xi'an.

Deposits paid

This mainly relates to the deposits paid to various vendors for the acquisition of equipment for system upgrade and testing purpose.

Interests in Associates

This mainly relates to the Group's investment in 20%-owned associate, Mentech. Interests in associates increased to RMB 94.2 million as at 30 June 2014 from RMB 75.0 million as at 30 June 2013 was attributable to the recognition of the Group's interest in Tricheer as associate following the completion of capital reduction and since then Tricheer ceased to be subsidiary of the Group. For details of the capital reduction of Tricheer, please refer to the announcements dated 6 May 2013 and 16 October 2013 and circular dated 3 July 2013.

Restricted Balances in Banks and Pledged Deposits

During the year, restricted balances in banks and pledged deposits increased from RMB 512.7 million as at 30 June 2013 to RMB 1,028.4 million as at 30 June 2014. This is mainly due to the increase in settlement of amount with suppliers using bill payables. For issuing bill payables, the Group has to place deposits with banks as restricted balances in banks and pledged deposits. As such, balance of restricted balances in banks and pledged deposits increased. Details of bill payables are discussed under heading "Trade and bill payables" below.

Note Receivables

During the year, note receivables decreased by RMB 282.8 million or 83% to RMB 57.5 million as a result of changes in the Group's customer mix by reducing the number of customers with settlement using note receivables.

Trade Receivables

During the year, trade receivables decreased by RMB 77.4 million or 15% to RMB 456.4 million. This is mainly due to the Group's improvement in trade receivables turnover.

Other Receivables

Other receivables mainly relates to a refundable deposit paid for a property in Zhangjiang, Shanghai. The refundable deposit bears interest. Balance decreased by RMB 64.7 million mainly due to partial repayment from Yaxin during the year. For further details of the transaction, please refer to announcements by the Company released on 27 July 2011, 4 February 2013 and 29 January 2014.

Trade Deposits Paid To Suppliers

The decrease in trade deposits paid to suppliers was due to decrease in advance payment paid to chipset suppliers.

Inventories

The increase in amount of inventories of RMB 49.1 million or 15% is mainly due to increase in business volume with revenue for FY14 increased to RMB 5.45 billion from RMB 3.95 billion in FY13.

Trade and Bill Payables

Trade and bill payables increased by RMB 74.9 million or 5% mainly due to (i) increase in trade payables as a result of increase in procurement to cope with increase in business volume; and (ii) increase in settlement using bill payables with maturity ranged from 3 months to 1 year. As a result of this, the trade payables turnover days also increased during the year. Amount of bill payables increased from RMB 748.4 million as at 30 June 2013 to RMB 865.3 million as at 30 June 2014. For issuance of bill payables, the Group has to place deposits with banks as restricted balances in banks and pledged deposits, hence balance of restricted balances in banks and pledged deposits also increased from RMB 512.7 million as at 30 June 2013 to RMB 1,028.4 million as at 30 June 2014 which is discussed above.

As a result of increase in settlement using bill payables, net finance income (defined as interest income excluding income on other receivables over interest expenses) improved from RMB 8.1 million in FY13 to RMB 43.5 million in FY14.

Other Payables

The increase in other payables is mainly due to increase in accruals of staff costs including staff performance bonus following improvement in profitability of the Group and the deposits of RMB 24 million received from the purchaser of Mobell Technology Pte. Ltd. Please refer to the announcements dated 2 June 2014, 24 June 2014 and circular dated 31 July 2014 for further details.

Trade Deposits Received From Customers

The increase in trade deposits received from customers was due to increase in business volume.

Income Tax Payable

Income tax payable increased by RMB 21.4 million to RMB 28.3 million as at 30 June 2014 from RMB 6.9 million as at 30 June 2013 mainly due to increase in income tax expense for FY14 following increase in net profit and withholding tax accruals for distributing profits from PRC subsidiaries to its holding companies.

Working Capital Management

Working capital was managed as to optimise capital efficiency:

Turnover Days	**FY14 Days**	**FY13 Days**
Trade receivables (including trade deposits paid to suppliers)	33.6	37.0
Inventories	25.5	21.6
Trade payables (including trade deposits received from customers)	120.5	103.8

Following increase in settlement using bill payables with maturity ranged from 3 months to 1 year, the capital efficiency of the Group was improved and resulting increase in net finance income.

Cash Flow

4th Quarter Review

For Q4 FY14, the Group recorded net cash used in operating activities of RMB 34.6 million. This is mainly attributable to increase in cash outflow for procurement of inventories.

During the quarter, the Group paid RMB 26.1 million for acquisition of fixed assets and released restricted balances in banks and pledged deposits of RMB 93.0 million upon maturity of bill payables. Moreover, to optimise capital efficiency, the Group purchased short-term financial assets of RMB 33.4 million.

Full Year Review

For FY14, the Group recorded net cash generated from operating activities of RMB 557.7 million. This is mainly attributable to (i) profit recorded during FY14 and (ii) improved trade receivables turnover resulted decrease in trade and note receivables balance.

During the year, the Group paid RMB 39.3 million for acquisition of fixed assets and placed RMB 515.7 million as restricted balances in banks and pledged deposits for issuing bill payables.

During FY14, the Group received dividend of RMB 5.6 million from associates and RMB 20.9 million from capital reduction of Tricheer after setting-off inter-company balances.

During FY14, the Group paid RMB 1.7 million to purchase its shares and held as treasury shares and returned RMB 5.2 million upon winding-up of subsidiaries.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

No forecast or prospect statement had been made.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The 3G smartphone market is highly competitive and the competition is increasingly more intensive in the future, with gross profit margin continuously under pressure.

Moreover, the change of promotion policies of the major telecommunication carriers in China may also affect the demand of smartphones in China which resulted pressure on our shipment volume.

On 24 June 2014, the Company entered into a conditional sale and purchase agreement with First Prosperous International Limited (the **"Purchaser"**) in relation to the disposal of its entire interest in its wholly-owned subsidiary, Mobell Technology Pte. Ltd. to the Purchaser (the ***"Disposal"***) for an aggregate cash consideration of RMB240 million. Mobell Technology Pte. Ltd. and its subsidiaries are principally engaged in the ODM business of designing mobile devices. The Disposal is approved by shareholders in the special general meeting held on 15 August 2014. The completion of the Disposal is expected to be on 10 September. For further details of the Disposal, please refer to the announcement dated 24 June 2014 and circular dated 31 July 2014.

After the Disposal, the Group will be principally engaged in the business of investments in property and equity interests in 20%-owned Mentech and 14.68%-owned Tricheer, as such, the business of the Group will be affected by property leasing environment in the PRC and the performance of Mentech and Tricheer.

Going forward, the Board will consider all options available to the Company. Shareholders will be informed in due course once a definitive decision has been made.

This release may contain forward-looking statements that involve risks and uncertainties. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events.

11. Dividends

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

[Note: At the special general meeting held on 15 August 2014, shareholders' approval had been obtained on the disposal of Mobell Technology Pte. Ltd. and the payment of a first and second special dividends. The first special dividends is to be paid on 2 September 2014. The date of payment of the second special dividend will be announced at a later date.]

(b) Corresponding Period of the Immediately preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Dividend is before tax, net of tax or tax exempt : N.A.

(d) Date of Dividend payable : N.A.

(e) Book Closure Date : N.A.

12. If no dividend has been declared (recommended), a statement to that effect.

No dividend has been recommended.

PART II– ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1,Q2,Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements ,with comparative information for the immediately preceding year

Commencing from 1 July 2010, the Group's revenues from external customers are divided into two service lines: 1) the development and sales of mobile handset design solutions and related services and 2) rental business:

For the year ended 30 June 2014

	Development and sales of mobile handset, data products and related services RMB'000	Property investment RMB'000	Total RMB'000
Revenue			
Segment revenue (external customers)	5,444,085	10,890	5,454,975
Segment profit	66,315	7,503	73,818
Unallocated corporate expense			(5,952)
Finance income			51,495
Finance costs			(2,372)
Profit before income tax			116,989
Income tax expense			(30,468)
Profit for the year			86,521
Other segment information			
Additions to other non-current segment assets	18,472	-	18,472
Amortisation of intangible assets	(3,875)	-	(3,875)
Depreciation of property, plant and equipment	(9,689)	-	(9,689)
Amortisation of land use rights	(399)	-	(399)
Loss on disposal of property, plant and equipment	(263)	-	(263)
Write off of intangible assets	(188)	-	(188)
Allowance for and write down of inventories	(55,043)	-	(55,043)

The Group's assets and liabilities are divided into two service lines: 1) the development and sales of mobile handset design solutions and related services and 2) rental business:

For the year ended 30 June 2014

	Development and sales of mobile handset, data products and related services RMB'000	Property investment RMB'000	Total RMB'000
Segment assets	1,918,591	144,600	2,063,191
Other financial assets			37,436
Interests in associates			94,236
Other corporate assets			481,247
			2,676,110
Segment liabilities	1,872,723	11,619	1,884,342
Income tax payable			28,290
Bank borrowings			77,854
			1,990,486

The Group's revenues from external customers are divided into the following geographical areas:

	Revenue from external customers	
	FY2014 Full Year 1 Jul 13 to 30 Jun14 **RMB'000**	**FY2013 Full Year** 1 Jul 12 to 30 Jun 13 **RMB'000**
China (domicile)	**2,961,282**	2,044,874
Hong Kong	**663,139**	121,325
East Asia	**89,555**	111,576
India	**646,254**	765,837
Others	**1,094,745**	902,333
	5,454,975	3,945,945

The geographical analysis of revenue is based on the location of external customers. Over 90% of the total assets and liabilities of the Group at the respective reporting dates were physically located and substantially employed in the PRC. Accordingly, no geographical segmental analysis of the Group's non-current assets is presented.

There are two (2013: three) customers with whom transactions of each exceed 10% of the Group's revenue during the year ended 30 June 2014. During the year ended 30 June 2014, revenue derived from these customers are approximately RMB 1,906.2 million and RMB 602.7 million, individually from the segment of development and sales of mobile handset, data products and related services. (2013: approximately RMB 862.9 million, RMB 706.2 million and RMB 575.4 million, individually from the segment of development and sales of mobile handset, data products and related services.)

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments

See note 8 for explanation of the changes in sales mix.

15. A Breakdown of sales

	<----------The Group---------->	
	FY2014 Full Year 1 Jul 13 to 30 Jun 14 **RMB'000**	**FY2013 Full Year** 1 Jul 12 to 30 Jun 13 **RMB'000**
Sales reported for first half year	**3,150,840**	1,622,214
Profit for first half year	**59,015**	22,046
Sales reported for second half year	**2,304,135**	2,323,731
Profit for second half year	**27,506**	36,852

16. A Breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year

Total Annual Dividend

	<----------Latest Full Year--------->			Previous Full Year
	Paid S$'000	**Proposed S$'000**	**Total S$'000**	**Total S$'000**
Ordinary	-	-	-	-

17. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT Mandate has been obtained, a statement to that effect.

Not applicable.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board of Directors confirms that there are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a Director or Chief Executive Officer or substantial shareholders of the Company.

BY ORDER OF THE BOARD

Dr Du Junhong
Executive Chairman

29 August 2014