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LUNG KEE (BERMUDA) HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock code: 255)

Website: <http://www.irasia.com/listco/hk/lkm>

FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2015

RESULTS

The directors of Lung Kee (Bermuda) Holdings Limited (the “Company”) (the “Directors”) have pleasure in submitting the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31st December, 2015, together with comparative figures for the year ended 31st December, 2014 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st December, 2015

	<i>Notes</i>	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Revenue	2	2,279,124	2,403,429
Other income	3	54,931	67,860
Increase in fair value of investment properties		8,000	18,000
Changes in inventories of finished goods and work in progress		(9,542)	3,974
Raw materials and consumables used		(899,946)	(1,046,169)
Employee benefits expenses		(577,152)	(579,906)
Depreciation of property, plant and equipment		(226,367)	(191,693)
Other expenses		(457,857)	(500,276)
Interest on bank borrowings		(1,565)	(3,666)
Profit before taxation		169,626	171,553
Income tax expense	4	(42,605)	(31,994)
Profit for the year		127,021	139,559

	2015	2014
<i>Note</i>	HK\$'000	<i>HK\$'000</i>
Other comprehensive expense:		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Reclassification adjustment of translation reserve upon deregistration of a subsidiary	—	(31,190)
Exchange difference arising on translation of foreign operations	<u>(125,527)</u>	<u>(76,294)</u>
Other comprehensive expense for the year	<u>(125,527)</u>	<u>(107,484)</u>
Total comprehensive income for the year	<u>1,494</u>	<u>32,075</u>
Profit for the year attributable to:		
Owners of the Company	125,632	137,837
Non-controlling interests	<u>1,389</u>	<u>1,722</u>
	<u>127,021</u>	<u>139,559</u>
Total comprehensive income for the year attributable to:		
Owners of the Company	709	31,113
Non-controlling interests	<u>785</u>	<u>962</u>
	<u>1,494</u>	<u>32,075</u>
	HK cents	HK cents
Earnings per share	6	
- Basic	<u>19.89</u>	<u>21.82</u>
- Diluted	<u>N/A</u>	<u>21.82</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31st December, 2015

	<i>Notes</i>	At 31st December, 2015 HK\$'000	At 31st December, 2014 HK\$'000
ASSETS AND LIABILITIES			
Non-current assets			
Investment properties		177,500	169,500
Property, plant and equipment		1,016,442	1,163,881
Prepaid lease payments			
— non-current portion		86,014	95,806
Deposits paid for acquisition of property, plant and equipment		52,217	96,281
Deferred tax assets		41,406	24,464
		<u>1,373,579</u>	<u>1,549,932</u>
Current assets			
Inventories	7	468,512	569,042
Trade, bills and other receivables	8	429,956	502,340
Prepaid lease payments			
— current portion		2,139	2,332
Bank balances and cash		505,127	383,774
		<u>1,405,734</u>	<u>1,457,488</u>
Current liabilities			
Trade, bills and other payables	9	328,259	396,690
Taxation payable		7,883	7,774
Dividend payable		145	136
Unsecured bank borrowings			
— due within one year		1,879	92,370
		<u>338,166</u>	<u>496,970</u>
Net current assets		<u>1,067,568</u>	<u>960,518</u>
Total assets less current liabilities		<u>2,441,147</u>	<u>2,510,450</u>

	<i>Note</i>	At 31st December, 2015 HK\$'000	At 31st December, 2014 HK\$'000
Non-current liabilities			
Deferred tax liabilities		48,190	41,180
Other payables	9	96,488	85,861
		<u>144,678</u>	<u>127,041</u>
Net assets		<u>2,296,469</u>	<u>2,383,409</u>
CAPITAL AND RESERVES			
Share capital		63,168	63,168
Reserves		2,219,067	2,306,792
Equity attributable to owners of the Company		2,282,235	2,369,960
Non-controlling interests		14,234	13,449
Total equity		<u>2,296,469</u>	<u>2,383,409</u>

Notes:

1. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

The Group has applied the following amendments to HKFRSs and a new Interpretation issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) during the current year.

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 new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and revised HKFRSs in issue but not yet effective

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments ¹
HKFRS 14	Regulatory Deferral Accounts ²
HKFRS 15	Revenue from Contracts with Customers ¹
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations ³
Amendments to HKAS 1	Disclosure Initiative ³
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ³
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants ³
Amendments to HKAS 27	Equity Method in Separate Financial Statements ³
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception ³
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 - 2014 Cycle ³

¹ Effective for annual periods beginning on or after 1st January, 2018.

² Effective for first annual HKFRS financial statements beginning on or after 1st January, 2016.

³ Effective for annual periods beginning on or after 1st January, 2016.

⁴ Effective for annual periods beginning on or after a date to be determined.

The directors of the Company anticipate that the application of these new and revised HKFRSs will have no material impact on the consolidated financial statements of the Company.

2. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the manufacturing and marketing of mould bases and related products. Revenue represents the invoiced value of goods sold to external customers during the year, after allowances for returns and trade discounts.

The Group only has one operating segment, based on information reported to the chief operating decision maker (the Company's board of directors) for the purposes of resources allocation and performance assessment, which is the aggregated results of the Group, including all income, expenses and tax charges.

As a result, there is only one reportable segment for the Group. For information regarding this segment, reference can be made to the consolidated financial statements as a whole.

The segment revenue and segment result of the Group represents revenue and profit after taxation set out in the consolidated statement of profit or loss and other comprehensive income respectively.

Entity-wide disclosures

As at 31st December, 2015 and 2014, substantially all of the Group's non-current assets are located in the places of domicile of the relevant group entities, namely the People's Republic of China (the "PRC").

The following is an analysis of the Group's revenue based on location of customers:

	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
The PRC (excluding Hong Kong)	1,973,675	2,067,070
Hong Kong	4,863	5,377
Others	300,586	330,982
	<u>2,279,124</u>	<u>2,403,429</u>

The Group has a very wide customer base covering Europe, America and Asia. No single customer contributed more than 10% of the Group's revenue for each of the years ended 31st December, 2015 and 2014.

3. OTHER INCOME

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Interest income	12,453	16,038
Rental income, net of direct outgoings of approximately HK\$473,000 (2014: HK\$421,000)	4,556	3,665
Sundry income	3,383	3,553
Net foreign exchange gain	—	6,198
Gain on disposal of property, plant and equipment and prepaid lease payment	28,364	7,216
Compensation for termination of agreement	6,175	—
Exchange gain on deregistration of a subsidiary	—	31,190
	<u>54,931</u>	<u>67,860</u>

4. INCOME TAX EXPENSE

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
The charge (credit) comprises:		
Hong Kong Profits Tax		
- current year	447	45
- underprovision in prior years	108	41
	<u>555</u>	<u>86</u>
Taxation in jurisdictions outside Hong Kong		
- current year	52,088	44,131
- (over)underprovision in prior years	(106)	83
- transfer from deferred taxation	—	9,458
	<u>51,982</u>	<u>53,672</u>
Deferred taxation		
- current year	(9,932)	(12,306)
- transfer to current income tax	—	(9,458)
	<u>(9,932)</u>	<u>(21,764)</u>
	<u>42,605</u>	<u>31,994</u>

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

Under the Law of the People's Republic of China on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

Taxation arising in jurisdictions outside Hong Kong and the PRC is calculated based on the applicable rates in those jurisdictions.

5. DIVIDENDS

	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Dividends recognised as distribution during the year:		
2015 Interim – HK7 cents (2014: 2014 interim dividend of HK6 cents) per share	44,217	37,901
2014 Final – HK7 cents (2014: 2013 final dividend of HK8 cents) per share	44,217	50,534
2014 Final special – Nil (2014: 2013 final special dividend of HK8 cents) per share	—	50,534
	<u>88,434</u>	<u>138,969</u>

The board of directors have determined that a final dividend of HK8 cents (2014: HK7 cents) per share amounting to approximately HK\$50,534,000 (2014: HK\$44,217,000) and a final special dividend of HK5 cents (2014: Nil) per share amounting to approximately HK\$31,584,000 (2014: Nil) should be paid to the shareholders of the Company whose names appear in the register of members on 18th May, 2016.

6. EARNINGS PER SHARE

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

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Earnings:		
Profit for the year attributable to owners of the Company for the purposes of basic earnings per share	<u>125,632</u>	<u>137,837</u>
Number of shares:		
Weighted average number of ordinary shares for the purpose of basic earnings per share	<u>631,677,303</u>	<u>631,677,303</u>

Diluted earnings per share is not presented for the year as there is no potential ordinary shares outstanding during the year at the end of the reporting period.

The computation of diluted earnings per share for the year ended 31st December, 2014 did not assume the exercise of the Company's outstanding share options because the exercise price of these options was higher than the average market price for the shares for that year.

7. INVENTORIES

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Raw materials	410,995	501,983
Work in progress	39,032	45,138
Finished goods	<u>18,485</u>	<u>21,921</u>
	<u>468,512</u>	<u>569,042</u>

The cost of inventories recognised as an expense by the Group during the year amounted to approximately HK\$1,825,074,000 (2014: HK\$1,949,610,000).

8. TRADE, BILLS AND OTHER RECEIVABLES

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Trade receivables	360,312	446,005
Bills receivables	33,112	32,739
Less: allowance for doubtful debts	(27,585)	(33,587)
	365,839	445,157
Other receivables	6,083	9,505
VAT receivables	14,377	6,723
Deposits and prepayments	43,657	40,955
Total trade, bills and other receivables	429,956	502,340

In general, the Group allows a credit period ranging from 30 days to 90 days to its trade customers. The following is an aged analysis of trade and bills receivables net of allowance for doubtful debts presented based on the invoice dates at the end of the reporting period.

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
0 to 60 days	265,990	334,424
61 to 90 days	73,273	83,829
Over 90 days	26,576	26,904
	365,839	445,157

9. TRADE, BILLS AND OTHER PAYABLES

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Trade payables	86,017	124,843
Bills payables	21,644	30,917
Advance receipt from customers	42,651	44,428
Deposit received in respect of disposal of a land lease	—	6,238
Provision of employee economic compensation	144,456	129,831
Payables for salaries and bonuses	55,818	62,940
Deposits and accruals	33,701	36,473
Other payables	40,460	46,881
	<hr/>	<hr/>
Total amount	424,747	482,551
Less: Amount due within one year shown under current liabilities	(328,259)	(396,690)
	<hr/>	<hr/>
Amount due after one year	<u>96,488</u>	<u>85,861</u>

The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period.

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
0 to 60 days	71,096	117,443
61 to 90 days	23,545	21,165
Over 90 days	13,020	17,152
	<hr/>	<hr/>
	<u>107,661</u>	<u>155,760</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the year ended 31st December, 2015, the Group continued to focus on the manufacturing and marketing of mould bases and related products.

The Group's revenue in the year ended 31st December, 2015 was approximately HK\$2,279 million (2014: approximately HK\$2,403 million). Profit attributable to owners of the Company in the year ended 31st December, 2015 was approximately HK\$126 million (2014: approximately HK\$138 million). Basic earnings per share in the year ended 31st December, 2015 was HK19.89 cents (2014: HK21.82 cents).

During the year of 2015, the global economy was perplexed by various uncertain factors, thus the economic recovery proceeded in an unsteady pace. Besides the market performance of the United States showed a more promising sign, the aggregate economic growth of Europe still remained weak. As influenced by the undetermined factors such as regional political instability, the occurrence of localized war, natural disaster and earthquake, the global economic growth was impeded. Subject to the unfavorable global economic environment, the growth rate of both export and domestic business of China slowed down consequently and the Gross Domestic Product (GDP) growth rate of China was revised downward to 7%. As a result, the operation of manufacturing sectors including mould industry faced a lot of hardships and the product price was continually pressed down. Though the productivity effectiveness was lifted up and the operating cost was controlled within a reasonable level, the sales turnover registered a mild decrease. Due to the decrease of other income, the Group's after tax profit recorded a slight drop compared with last year.

In the period under review, the Group's performance was up to satisfaction in the first half year. However, as hindered by the unstable market performance of the United States, Europe and other overseas countries, coupled with the impact of the depreciation of Renminbi, the external economic environment deteriorated in the second half year and became worse in the fourth quarter. The market faced inadequate orders in general. Consequently, the Group's performance was lightly inferior in the second half year comparing with the first half year.

The Group's plant in the Heyuan factory, Guangdong Province, China, continued to undergo reengineering in its operation and production mode. As a result, its productivity per capita, production technique as well as product quality were continually enhanced, eventually strengthening the aggregate competitiveness of the Group. It further helped to uplift the business in high precision mould products with value added machining contents, ultimately contributed to increase the revenue of the Group.

For the plant in Hangzhou city, Zhejiang Province, China, its operation advanced gradually on a right track. Nevertheless, restricted by factors such as shortage of local technical labor, time needed for training new recruits and ongoing increase of wages, the mould production capacity fell behind the expected target. The operation of the plant was still behind the breakeven point and projected a negative effect on the aggregate performance of the Group.

Due to the over supply of mould steel in China, the price of the low to medium range local mould steel substantially decreased during the review period. For the imported steel, the price fluctuated mildly and was relatively stable.

Turning to the operating cost, each individual item had its upward or downward change and the Group succeeded in monitoring and balancing its operation costs within a reasonable level. Despite the double-digit rise in wages, the efficiency of labor also raised simultaneously. The aggregate labor cost maintained at a similar level as compared with last year. The Group kept acquiring automated production equipment and machineries to reduce manpower and replace low efficient machineries, as a result, the depreciation cost of fixtures and machineries increased correspondingly. However, overall operating cost control was satisfactory and the Group strived to maintain a stable net profit level despite there was a mild fall in the turnover.

In conclusion, the Group managed to lift up its production effectiveness and efficiency and control the cost, however, its product price was pressed down due to the uncertain recovery pace of global economy. Moreover, the production development of the plant in Hangzhou city, Zhejiang Province, China was hindered due to the shortage of skilled labor, thus, both the economy of scale in production and breakeven could not be attained, directly affected the Group's performance. In spite of the Group's aggregate turnover noted a slight fall, the overall result was still up to satisfactory.

Liquidity and Capital Resources

As at 31st December, 2015, the Group had bank balances of approximately HK\$505 million. The bank balances were placed in short term deposits with major banks in Hong Kong and the PRC.

The Group adopted conservative measures to hedge any exchange fluctuation if the exposure is considered significant by the management.

The Group continues to incur capital expenditure for the plant expansion and factory construction, which is financed by internal resources.

Gearing Ratio

Total debts of the Group were approximately HK\$2 million, equal to approximately 0.09% of equity attributable to owners of the Company of approximately HK\$2,282 million.

Employees and Remuneration Policies

As at 31st December, 2015, the Group employed a total of approximately 5,000 employees, including approximately 4,600 employees in its PRC production sites and approximately 400 employees in Hong Kong and other countries. The Group adopts a competitive remuneration package for its employees. Promotion and salary increments are assessed based on a performance related basis. Share options may also be granted to employees with reference to the individual's performance.

PROSPECTS

The outlook of the global economic recovery is not clear. Except the United States economy progresses in a positive direction, the economic development of the Euro Zone countries still face a lot of hardships including the occurrence of localized war, the threat of terror attack by Middle East countries and refugee issue. As a result, it casts uncertainties on the global economy in stepping forward its recovery and also exerts pressure on the export business to European countries.

In seeking for stable economic growth, the Chinese government has adjusted its Gross Domestic Product (GDP) growth target to the range from 6.5% to 7%, still maintaining a notable driving force for economic growth. On the other hand, the China economy adopts a “removal of productivity” measure to eliminate those enterprises operated with low effectiveness and overcapacity. The China economy is now undergoing an internal economic structural change and amelioration, eventually only those healthy and value added industry and enterprises can survive in the market. In addition, the launch of “One Belt One Road” economic development strategy will also create new markets and opportunity to the China economy. Thus, it is anticipated that demand for the high quality product will boost up which in turn helps to accelerate the development pace of the Group’s high precision mould production. Following the rising of living standard of local Chinese, diversified consumption goods such as environmental friendly household electrical appliances, environmental automobile, high-tech electronic and intelligent household products are promoted to suit the market needs. It directly helps to stimulate the sales growth of the Group’s mould products. The Group always puts great emphasis on the development of automobile parts and components market. It is expected that vehicle model integrated with new technology and environmental concept will be introduced to the market regularly, which in turn will bring more revenue to the Group through its large-scale high quality automobile parts and components production. In light of the market opportunity in China especially the promising development of automobile parts and components industry, the Group devises appropriate sales strategy with matching logistic arrangement in the hope of providing quality and comprehensive services to customers located in the Eastern, Central and Northern regions of China and extending the market share in these areas.

The Group continues to meliorate its facilities and technical knowledge in order to keep pace with time and accommodate the market change and trend. To cope with the shortage of skilled labor in China and the reluctance of the new young generation in serving the manufacturing sector, the production plant in the Heyuan factory, Guangdong Provinces, China, adopts automated precision production facilities and automated production process to uplift its production efficiency in order to lessen the impact caused by the manpower shortage and manpower cost. Furthermore, the Group keeps on enhancing its production mode and suitably outsources non-core and small-scale production business so as to concentrate its effort on improving technique and operation of its core business. It aims at reinforcing its production effectiveness in order to fortify its production competitiveness and strength.

Following the operation of production plant in Hangzhou city, Zhejiang Province, China gradually advancing toward sophisticated, productivity is expected to have constant uplift. The Group will actively recruit and train new staff, enhance its technical skill and further improve its production facilities. Consequently, the Group can achieve economy of scale in production and quicken its pace in reaching breakeven in operation and eventually bring positive return to the Group.

The Group expects that the price of local mould steel will be increased from its low price level with constant fluctuation. For the imported steel, its price will remain relatively stable with adjustment within narrowed range. The Group will cautiously regulate its inventory level so as to manage its material cost floating at a reasonable range.

Turning to the operating cost, it is expected that the labor cost especially will still be in an upward trend. The Group will put forward suitably measures to further monitor the growth rate of operating cost. Regarding the operation risks, the Group has already implemented a sound credit control system to keep its credit risks to a relatively low level and at a healthy and safe

range. It is expected that Renminbi will continue to fluctuate, however, since a considerable portion of the operational revenue and expenditure of the Group is settled by Renminbi, its fluctuation will not affect much of the Group's operation as a whole. Moreover, the Group has a solid financial status with sufficient capital to satisfy any particular investment and operation needs that enables the Group to achieve its long-term development goal.

The Group, same as usual, adopts prudent and pragmatic approach to focus development on its core business continually and keeps enhancing its management system and production techniques. Moreover, in light of the change of market environment, the Group devises suitable strategy to cope with every future challenge and business opportunity with a view to generating better results and bringing stable returns to shareholders.

AUDIT COMMITTEE

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including the review of the consolidated financial statements.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31st December, 2015 as set out in the Preliminary Announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

FINAL DIVIDEND AND FINAL SPECIAL DIVIDEND

The Directors have resolved to recommend to shareholders at the annual general meeting of the Company to be held on 9th May, 2016 (the "AGM") the payment of a final dividend of HK8 cents (2014: HK7 cents) per share and a final special dividend of HK5 cents (2014: Nil) per share for the year ended 31st December, 2015 to shareholders whose names appear on the Register of Members on 18th May, 2016. Subject to the approval by the shareholders at the AGM, the proposed final dividend and final special dividend will be despatched to shareholders on or about 2nd June, 2016.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 5th May, 2016 to 9th May, 2016, both days inclusive, during which period no share transfer will be effected. In order to qualify for attending and voting at the AGM, all share certificates accompanied by the completed transfer forms either overleaf or separate or standard transfer form, must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 4th May, 2016.

Shareholders whose securities accounts with The Central Depository (Pte) Limited in Singapore are credited with shares in the Company as at 5:00 p.m. on 4th May, 2016 will be entitled for attending and voting at the AGM.

The register of members of the Company will also be closed from 17th May, 2016 to 18th May, 2016, both days inclusive, during which period no share transfer will be effected. In order to qualify for the proposed final dividend and final special dividend, all share certificates accompanied by the completed transfer forms either overleaf or separate or standard transfer form, must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited of Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 16th May, 2016.

Shareholders whose securities accounts with The Central Depository (Pte) Limited in Singapore are credited with shares in the Company as at 5:00 p.m. on 16th May, 2016 will be entitled for the proposed final dividend and final special dividend.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

There was no purchase, sale or redemption of shares or other securities of the Company by the Company or any of its subsidiaries during the year ended 31st December, 2015.

CORPORATE GOVERNANCE

During the year ended 31st December, 2015, the Company has complied with all code provisions as set out in the Corporate Governance Code contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

By order of the Board
Siu Tit Lung
Chairman

Hong Kong, 18th March, 2016

As at the date of this announcement, the executive directors of the Company are Mr. Siu Tit Lung (Chairman), Mr. Siu Yuk Lung, Mr. Mak Koon Chi, Mr. Wai Lung Shing and Mr. Ting Chung Ho; and the independent non-executive directors of the Company are Mr. Liu Wing Ting, Stephen, Dr. Lee Tat Yee and Mr. Lee Joo Hai.