

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
 Company Registration No. 35673

UNAUDITED FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2016

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

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

Group Income Statement for the first quarter ended 30 September 2016. These figures have not been audited.

Income Statement For 1st Quarter

	<-----The Group----->		
	FY2017	FY2016	
	1st Qtr	1st Qtr	
	1 Jul 16 to	1 Jul 15 to	+/(-)
	30 Sep 16	30 Sep 15	
	RMB'000	RMB'000	%
Revenue	3,529	2,669	32
Cost of sales	(798)	(690)	16
Gross profit	2,731	1,979	38
Other gains and (losses)	574	(2,180)	nm
Administrative expenses	(2,446)	(2,644)	-7
Share of results of associates	-	4,710	-100
Profit before income tax	859	1,865	-54
Profit for the period	859*	1,865	-54
Profit for the period attributable to:			
Owners of the Company	859	1,865	-54
	859	1,865	-54

*Including the reclassification adjustment on disposal of available-for-sale financial assets under other comprehensive income of RMB2,662,000, loss for the period amounted to RMB1,803,000.

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
Company Registration No. 35673

Statement of Comprehensive Income

	<-----The Group----->		
	FY2017	FY2016	
	1st Qtr	1st Qtr	
	1 Jul 16 to	1 Jul 15 to	+/(-)
	30 Sep 16	30 Sep 15	
	RMB'000	RMB'000	%
Profit for the period	859	1,865	-54
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	805	-	nm
Currency translation			
- Group	248	1,882	-87
- Associates	-	1,692	-100
Reclassification adjustment			
- Disposal of available-for-sale financial assets	(2,662)	-	nm
Other comprehensive income for the period, net of tax amounting to nil	(1,609)	3,574	nm
Total comprehensive income for the period	(750)	5,439	nm
Total comprehensive income attributable to:			
Owners of the Company	(750)	5,439	nm
	(750)	5,439	nm

nm: Not meaningful / material

Notes:

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

	<-----The Group----->		
	FY2017	FY2016	
	1st Qtr	1st Qtr	
	1 Jul 16 to	1 Jul 15 to	+/(-)
	30 Sep 16	30 Sep 15	
	RMB'000	RMB'000	%
(a) Bank interest income*	1	1	0
(b) Net fair value gain for financial assets at fair value through profit or loss*	152	44	245
(c) Depreciation of property, plant and equipment	(4)	(10)	-60
(d) Loss on disposal of property, plant and equipment	(1)	-	nm
(e) Exchange difference, net*	(90)	(2,225)	-96
(f) Gain on disposal of available-for-sale financial assets*	492	-	nm

*Included in other gains and losses.

LCT HOLDINGS LIMITED
(Formerly Known as 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.

Statements of Financial Position

	<----- Group----->		<----- Company----->	
	As at 30 Sept 16	As at 30 Jun 16	As at 30 Sept 16	As at 30 Jun 16
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS AND LIABILITIES				
Non-current assets				
Property, plant and equipment	29	34	-	-
Investment property	110,000	110,000	-	-
Interests in subsidiaries	-	-	_*	_*
	110,029	110,034	-	-
Current assets				
Cash and deposit balances	131,150	51,797	129,456	25,465
Financial assets at fair value through profit or loss	25,200	18,800	-	-
Available-for-sale financial assets	-	89,521	-	-
Amounts due from subsidiaries	-	-	127,182	168,881
Trade receivables	285	273	-	-
Other receivables	638	716	-	100
	157,273	161,107	256,638	194,446
Current liabilities				
Dividend payables	120,802	-	120,802	-
Other payables	17,839	20,811	2,086	1,030
	138,641	20,811	122,888	1,030
Net current assets	18,632	140,296	133,750	193,416
Net assets	128,661	250,330	133,750	193,416
EQUITY				
Equity attributable to owners of the Company				
Share capital	65,608	65,608	65,608	65,608
Treasury shares	(90,042)	(90,042)	(90,042)	(90,042)
Reserves	153,095	274,764	158,184	217,850
Total equity	128,661	250,330	133,750	193,416

*Denotes a figures less than RMB 1,000.

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

There was no borrowing of the Company and the Group as at 30 June 2016 and 30 September 2016.

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
Company Registration No. 35673

- 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 1st Quarter Ended 30 September

	<-----The Group----->	
	FY2017	FY2016
	1 st Qtr	1 st Qtr
	1 Jul 16 to	1 Jul 15 to
	30 Sep 16	30 Sep 15
	RMB'000	RMB'000
Cash flow from operating activities		
Profit before income tax	859	1,865
Adjustments for:		
Interest income of bank deposits	(1)	(1)
Net fair value gain for financial assets at fair value through profit or loss	(152)	(44)
Depreciation of property, plant and equipment	4	10
Loss on disposal of property, plant and equipment	1	-
Exchange difference, net	90	2,225
Share of results of associates	-	(4,710)
Gain on disposal of available-for-sale financial assets	(492)	-
Operating cash flows before movements in working capital	309	(655)
Increase in trade receivables	(12)	-
Decrease / (increase) in other receivables and trade deposits paid to suppliers	78	(430)
Increase / (decrease) in other payables and trade deposits received from customers	549	(117)
Net cash generated from / (used in) operating activities	924	(1,202)
Cash flow from investing activities		
Interest received	1	1
Interest received from financial assets at fair value through profit or loss	152	44
Purchase of property, plant and equipment	-	(16)
(Acquisition) / redemption of financial assets at fair value through profit or loss	(6,400)	6,100
Proceeds from disposal of available-for-sale financial assets	84,429	-
Net cash generated from investing activities	78,182	6,129
Net increase in cash and cash equivalents	79,106	4,927
Cash and cash equivalents at the beginning of the financial period	51,797	39,505
Effect of foreign exchange rate changes, net	247	(344)
Cash and cash equivalents at the end of the financial period	131,150	44,088
Analysis of cash and cash equivalents		
Cash and bank balances	131,150	44,088
Fixed bank deposits with an original maturity of more than 3 months	-	432
Cash and deposit balances	131,150	44,520

LCT HOLDINGS LIMITED
(Formerly Known as 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	Available-for-sale financial assets revaluation reserve	Translation reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jul 2016	65,608	(90,042)	138,818	1,857	(73,290)	207,379	250,330
Dividends	-	-	-	-	-	(120,919)	(120,919)
Distributions to owners	-	-	-	-	-	(120,919)	(120,919)
Profit for the year	-	-	-	-	-	859	859
Other comprehensive income							
- Change in fair value on available-for-sale financial assets	-	-	-	805	-	-	805
- Currency translation							
- Group	-	-	-	-	248	-	248
- Reclassification adjustment							
- Disposal of available-for-sale financial assets	-	-	-	(2,662)	-	-	(2,662)
Total comprehensive income for the year	-	-	-	(1,857)	248	859	(750)
Balance at 30 Sept 2016	65,608	(90,042)	138,818	-	(73,042)	87,319	128,661

	Share capital	Treasury shares	Share premium	Translation reserve	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 Jul 2015	65,608	(90,042)	138,818	(80,256)	200,951	235,079
Profit for the period	-	-	-	-	1,865	1,865
Other comprehensive income						
- Currency translation						
- Group	-	-	-	1,882	-	1,882
- Associates	-	-	-	1,692	-	1,692
Total comprehensive income for the period	-	-	-	3,574	1,865	5,439
Balance at 30 Sept 2015	65,608	(90,042)	138,818	(76,682)	202,816	240,518

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
Company Registration No. 35673

Statement of Changes in Equity for the Company

Company	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Translation reserve RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1 Jul 2016	65,608	(90,042)	138,818	(69,946)	148,978	193,416
Dividends	-	-	-	-	(120,919)	(120,919)
Distributions to owners	-	-	-	-	(120,919)	(120,919)
Profit for the period	-	-	-	-	59,839	59,839
Other comprehensive income						
-Currency translation	-	-	-	1,414	-	1,414
Total comprehensive income for the period	-	-	-	1,414	59,839	61,253
Balance at 30 Sept 2016	65,608	(90,042)	138,818	(68,532)	87,898	133,750
Balance at 1 Jul 2015	65,608	(90,042)	138,818	(84,534)	144,796	174,646
Loss for the period	-	-	-	-	(3,056)	(3,056)
Other comprehensive income						
-Currency translation	-	-	-	7,016	-	7,016
Total comprehensive income for the period	-	-	-	7,016	(3,056)	3,960
Balance at 30 Sept 2015	65,608	(90,042)	138,818	(77,518)	141,740	178,606

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
Company Registration No. 35673

- 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 September 2016, the Company held 4,421,875 (30 September 2015: 44,218,750*) treasury shares. There were no purchases, sales, transfers, disposal, cancellation and/or use of treasury shares during the 3 months ended 30 September 2016.

**Before share consolidation of every ten (10) existing issued ordinary shares into one (1) ordinary shares on 5 November 2015.*

- 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 Sept 16	As at 30 Jun 16
Issued shares	39,666,395	39,666,395
Less: Treasury shares	(4,421,875)	(4,421,875)
Total number of issued shares excluding treasury shares	35,244,520	35,244,520

- 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.

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
Company Registration No. 35673

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

Except for those newly applicable and amended International Financial Reporting Standards ("IFRS") that are effective for the financial period beginning on 1 July 2016, 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 2016.

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.**

The Group has adopted the applicable new and amended IFRS that are effective during the period. The adoption of these new and amended IFRS did not result in a significant change to the Group's accounting policies.

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----->	
	FY2017 1 st Qtr RMB cents	FY2016 1 st Qtr RMB cents
Earnings per share	2.44	5.29
Weighted average number of shares	35,244,520*	35,244,520*

**The weighted average number of ordinary shares of both periods for the purpose of basic and diluted earnings per share have been adjusted for the issue of shares during the periods then ended and consolidation of share being completed on 5 November 2015 as if the consolidation was effective from the beginning of the year ended 30 June 2016.*

Diluted earnings per share for the three months ended 30 September 2016 and 2015 are the same as the basic earnings per share, as the Group has no dilutive potential during both periods.

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 Sept 16 RMB (cents)	As at 30 Jun 16 RMB (cents)	As at 30 Sept 16 RMB (cents)	As at 30 Jun 16 RMB (cents)
Net asset value per ordinary share based on issued share capital (excluding treasury shares) at the end of period	365.05	710.27	379.49	548.78
Number of shares (excluding treasury shares)	35,244,520	35,244,520	35,244,520	35,244,520

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
Company Registration No. 35673

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

Revenue increased to RMB3.5 million in Q1 FY17 compared to RMB2.7 million in Q1 FY16. The increase in rental income was mainly due to increase in average rental rate upon renewal of expired lease agreements.

Gross profit and gross profit margin

Gross profit was RMB2.7 million in Q1 FY17 compared to RMB2.0 million in Q1 FY16. Correspondingly, gross profit margin for Q1 FY17 was 77% an increase from 74% in Q1 FY16. The increase in gross profit was mainly due to increase in average rental rate upon renewal of expired lease agreements.

Administrative expenses

Administrative expenses decreased from RMB2.6 million in Q1 FY16 to RMB2.4 million in Q1 FY17 mainly due to decrease in management cost for the investment property in Xi'an.

Other gains and losses

Other gains and losses increased from a loss of RMB2.2 million to a gain of RMB0.6 million mainly due to the unrealised exchange losses recorded in Q1 FY16 amounted to RMB2.2 million due to depreciation of Singapore dollars against RMB and gain on disposal of available-for-sale financial assets of RMB0.5 million in Q1 FY17.

Balance Sheets

Investment property

This relates to the Group's investment property located in Xi'an which was leased out for generating rental income. This property is leased to business customers for science and education purposes.

Cash and deposit balances

Cash and deposit balances increased from RMB51.8 million as at 30 June 2016 to RMB131.2 million as at 30 September 2016 mainly due to the Group received RMB84.4 million from disposal of available-for-sale financial assets and used RMB6.4 million for the acquisition of financial assets.

Other payables

This mainly relates to the payables to constructors for the Xi'an investment property.

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
Company Registration No. 35673

Cash Flow

For Q1 FY17, the Group recorded net cash generated from operating activities of RMB0.1 million.

During the quarter, the Group used RMB6.4 million for the acquisition of financial assets and received proceeds from disposal of available-for-sale financial assets of RMB84.4 million.

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.

On 20 June 2016, Longcheer International Pte. Ltd., a wholly-owned subsidiary of the Company entered into a conditional sale and purchase agreement with Longcheer Telecommunication (H.K.) Limited (the “Purchaser”) in relation to the disposal of its 21.89% interest in its associated company, Mentech Investment Limited, to the Purchaser (the “**Proposed Disposal**”), for an aggregate cash consideration of RMB88 million. Mentech Investment Limited and its subsidiaries are principally engaged in the business of manufacturing and trading of electronic products. The Disposal is approved by shareholders in the special general meeting held on 26 September 2016. The completion of the Disposal took place on 27 September 2016. For further details of the Disposal, please refer to the announcements dated 20 June 2016 and circular dated 2 September 2016.

After the Disposal, the asset of the Group consists only of the investment property in Xi'an and the main source of revenue is rental income from the investment property. The business of the Group will be affected by property leasing environment in the PRC.

Going forward, save as disclosed above, the Board will also consider all available options to the Company which are in the interests of the shareholders. 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.

LCT HOLDINGS LIMITED
(Formerly Known as Longcheer Holdings Limited)

Incorporated in Bermuda
Company Registration No. 35673

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Note: At the special general meeting held on 26 September 2016, shareholders' approval had been obtained on the disposal of Mentech Investment Limited and the payment of a special dividend of S\$24.67 million (equivalent to approximately S\$0.70 per Share). The special dividend was paid on 14 October 2016.

(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.

13. 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.

No IPT mandate has been obtained.

14. Negative Confirmation pursuant to Rule 705(5) of the Listing Manual

The Directors of the Company confirm that to the best of their knowledge, nothing has come to their attention which may render these unaudited interim financial statements for the quarter ended 30 September 2016, to be false or misleading in any material aspect.

15. Undertakings Confirmation pursuant to Rule 720(1)

The Board of Directors of the Company hereby confirms that the undertakings from all its directors and executive officers as required in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual were procured.

BY ORDER OF THE BOARD

Dr Du Junhong
Executive Chairman

27 October 2016