



# CHINA KUNDA TECHNOLOGY HOLDINGS LIMITED

Company registration number: 200712727W

**Financial Statements for the period ended 31 December 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 (HK\$'000)			Group (HK\$'000)		
	Unaudited 3 Months Ended		Change %	Unaudited 9 Months Ended		Change %
	31.12.14 ("3Q2015")	31.12.13 ("3Q2014")		31.12.14 ("9M2015")	31.12.13 ("9M2014")	
<b>Continuing operations</b>						
Revenue	57,013	61,513	(7.3)	156,742	161,608	(3.0)
Cost of sales	(48,277)	(54,173)	(10.9)	(136,241)	(144,496)	(5.7)
<b>Gross profit</b>	<b>8,736</b>	<b>7,340</b>	19.0	<b>20,501</b>	<b>17,112</b>	19.8
<b>Other items of income</b>						
Interest income (Note 1)	89	397	(77.6)	653	713	(8.4)
Other income (Note 2)	106	136	(22.1)	14,683	753	1,849.9
<b>Other items of expense</b>						
Selling and distribution expenses	(2,840)	(2,948)	(3.7)	(7,372)	(8,522)	(13.5)
General and administrative expenses	(5,204)	(4,699)	10.7	(15,231)	(15,882)	(4.1)
Finance costs	-	-	n.m.	-	-	n.m.
Other expenses (Note 3)	117	(731)	n.m.	6,475	(2,579)	n.m.
<b>Profit/(Loss) before tax from continuing operations (Note 4)</b>	<b>1,004</b>	<b>(505)</b>	n.m.	<b>19,709</b>	<b>(8,405)</b>	n.m.
Income tax expense (Note 5)	(1)	(281)	(99.6)	(1)	(1,240)	(99.9)
<b>Profit/(Loss) from continuing operations, net of tax</b>	<b>1,003</b>	<b>(786)</b>	n.m.	<b>19,708</b>	<b>(9,645)</b>	n.m.
<b>Discontinued operations</b>						
Loss from discontinued operations, net of tax	1	(6,168)	n.m.	(4,696)	(17,642)	(73.4)
<b>Profit/(Loss) for the period</b>	<b>1,004</b>	<b>(6,954)</b>	n.m.	<b>15,012</b>	<b>(27,287)</b>	n.m.
<b>Attributable to:</b>						
<b>Owners of the Company</b>						
- (Loss)/Profit from continuing operations, net of tax	(247)	(1,147)	(78.5)	17,543	(10,532)	n.m.
- Loss from discontinued operations, net of tax	1	(4,963)	n.m.	(4,887)	(15,356)	(68.2)
<b>(Loss)/Profit for the period attributable to owners of the Company</b>	<b>(246)</b>	<b>(6,110)</b>	(96.0)	<b>12,656</b>	<b>(25,888)</b>	n.m.
<b>Non-controlling interests</b>						
- Profit from continuing operations, net of tax	1,250	361	246.3	2,165	887	144.1
- Loss from discontinued operations, net of tax	-	(1,205)	n.m.	191	(2,286)	n.m.
<b>Profit/(Loss) for the period attributable to non-controlling interests</b>	<b>1,250</b>	<b>(844)</b>	n.m.	<b>2,356</b>	<b>(1,399)</b>	n.m.

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

	Group			Group		
	3Q2015 HK\$'000	3Q2014 HK\$'000	Change %	9M2015 HK\$'000	9M2014 HK\$'000	Change %
<b>Profit/(Loss) for the period</b>	<b>1,004</b>	<b>(6,954)</b>	n.m.	<b>15,012</b>	<b>(27,287)</b>	n.m.
<b>Other comprehensive income:</b>						
Items that may be reclassified subsequently to profit and loss:						
Foreign currency translation (Note 6)	(916)	2,233	n.m.	110	5,325	n.m.
<b>Other comprehensive income for the period, net of tax</b>	<b>(916)</b>	<b>2,233</b>	n.m.	<b>110</b>	<b>5,325</b>	n.m.
<b>Total comprehensive income for the period</b>	<b>88</b>	<b>(4,721)</b>	(101.9)	<b>15,122</b>	<b>(21,962)</b>	n.m.
<b>Attributable to:</b>						
Owners of the Company	(881)	(4,370)	(79.8)	12,610	(21,698)	n.m.
Non-controlling interests	969	(351)	n.m.	2,512	(264)	n.m.
<b>Total comprehensive income for the period</b>	<b>88</b>	<b>(4,721)</b>	(101.9)	<b>15,122</b>	<b>(21,962)</b>	n.m.
<b>Attributable to:</b>						
<b>Owners of the Company</b>						
Total comprehensive income from continuing operations, net of tax	(882)	250	n.m.	17,313	(7,128)	n.m.
Total comprehensive income from discontinued operations, net of tax	1	(4,620)	n.m.	(4,703)	(14,570)	(67.7)
<b>Total comprehensive income for the period attributable to owners of the Company</b>	<b>(881)</b>	<b>(4,370)</b>	(79.8)	<b>12,610</b>	<b>(21,698)</b>	n.m.

n.m. - not meaningful

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

	Group			Group		
	3Q2015 HK\$'000	3Q2014 HK\$'000	Change %	9M2015 HK\$'000	9M2014 HK\$'000	Change %
<b>Note 1 – Interest income</b>						
Interest income from bank and other receivables	89	397	(77.6)	653	713	(8.4)
<b>Note 2 – Other income</b>						
Sale of raw materials/ scrap materials	12	135	(91.1)	379	153	147.7
Gain on disposal of property, plant and equipment	94	1	n.m.	185	410	(54.9)
Gain on disposal of subsidiaries	-	-	n.m.	14,111	-	n.m.
Government grants related to income	-	-	n.m.	8	190	(95.8)
	<u>106</u>	<u>136</u>	(22.1)	<u>14,683</u>	<u>753</u>	1,849.9
<b>Note 3 – Other expenses</b>						
Net foreign exchange (gain)/loss	(361)	795	n.m.	(6,979)	1,736	n.m.
Collection of previously impaired trade receivables	-	-	n.m.	-	(63)	(100.0)
Impairment loss on doubtful trade and other receivables	-	-	n.m.	-	7	(100.0)
Impairment loss on inventories	244	(64)	n.m.	504	899	(43.9)
	<u>(117)</u>	<u>731</u>	n.m.	<u>(6,475)</u>	<u>2,579</u>	n.m.
<b>Note 4 – Loss before tax</b>						
This is determined after charging the following:						
Depreciation of property, plant and equipment	1,004	938	7.0	2,101	3,389	(38.0)
Amortisation of intangible assets	-	-	n.m.	-	2	(100.0)
Research expenses	89	742	(88.0)	578	2,098	(72.4)
<b>Note 5 – Income tax expense</b>						
Current income taxation	1	280	(99.6)	1	672	(99.9)
Underprovision in respect of prior years	-	1	(100.0)	-	568	(100.0)
Income tax expense	<u>1</u>	<u>281</u>	(99.6)	<u>1.00</u>	<u>1,240</u>	(99.9)

**Note 6 - Other comprehensive income - Foreign currency translation**

The foreign currency translation gain arises mainly from the translation of our Renminbi-denominated assets to Hong Kong dollars when consolidating the financial statements of the Group. Renminbi had depreciated by about 1.3% against Hong Kong dollars in 3Q2015, as compared to an appreciation of 1.1% in 3Q2014.

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

	Group As at 31.12.2014 HK\$'000	Group As at 31.3.2014 HK\$'000	Company As at 31.12.2014 HK\$'000	Company As at 31.3.2014 HK\$'000
<b><u>Non-current assets</u></b>				
Investment in subsidiaries	-	-	48,797	66,156
Property, plant and equipment	9,458	24,063	-	-
Intangible assets	-	-	-	-
Land use rights	-	6,464	-	-
Prepayments	1,696	4,792	-	-
<b>Total non-current assets</b>	<b>11,154</b>	<b>35,319</b>	<b>48,797</b>	<b>66,156</b>
<b><u>Current assets</u></b>				
Inventories (Note 1)	22,977	60,024	-	-
Trade and other receivables (Note 2)	105,317	89,003	-	-
Prepayments	4,082	14,469	30,954	149
Amount due from related parties	-	-	5,951	43,488
Cash and bank balances	13,869	38,621	35	64
	146,245	202,117	36,940	43,701
Assets of disposal group classified as held for sale	-	42,062	-	-
<b>Total current assets</b>	<b>146,245</b>	<b>244,179</b>	<b>36,940</b>	<b>43,701</b>
<b>Total Assets</b>	<b>157,399</b>	<b>279,498</b>	<b>85,737</b>	<b>109,857</b>
<b><u>Current liabilities</u></b>				
Trade and other payables	84,330	112,542	1,828	-
Other liabilities	10,024	34,339	1,605	2,839
Amount due to related parties	888	924	-	1,072
Borrowings	-	29,136	-	-
Deferred government grants	1,874	6,370	-	-
Provision for taxation	4,509	4,883	-	-
	101,625	188,194	3,433	3,911
Liabilities directly associated with disposal group classified as held for sale	-	19,550	-	-
<b>Total current liabilities</b>	<b>101,625</b>	<b>207,744</b>	<b>3,433</b>	<b>3,911</b>
<b>Net current assets</b>	<b>44,620</b>	<b>36,435</b>	<b>33,507</b>	<b>39,790</b>
<b><u>Non-current liabilities</u></b>				
Deferred government grants	-	6,613	-	-
<b>Total non-current liabilities</b>	<b>-</b>	<b>6,613</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>101,625</b>	<b>214,357</b>	<b>3,433</b>	<b>3,911</b>
<b>Net assets</b>	<b>55,774</b>	<b>65,141</b>	<b>82,304</b>	<b>105,946</b>

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

Group As at 31.12.2014 HK\$'000	Group As at 31.3.2014 HK\$'000	Company As at 31.12.2014 HK\$'000	Company As at 31.3.2014 HK\$'000
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**Equity attributable to owners of the Company**

Share capital	145,057	145,057	145,057	145,057
Accumulated losses	(60,326)	(32,765)	(79,729)	(55,702)
Restructuring reserve	(74,397)	(106,937)	-	-
Statutory reserve	-	2,928	-	-
Foreign currency translation reserve	22,733	26,560	16,976	16,591
	<u>33,067</u>	<u>34,843</u>	<u>82,304</u>	<u>105,946</u>
Non-controlling interests	22,707	30,298	-	-
<b>Total equity</b>	<b><u>55,774</u></b>	<b><u>65,141</u></b>	<b><u>82,304</u></b>	<b><u>105,946</u></b>
<b>Total equity and liabilities</b>	<b><u>157,399</u></b>	<b><u>279,498</u></b>	<b><u>85,737</u></b>	<b><u>109,857</u></b>

Group As at 31.12.2014 HK\$'000	Group As at 31.3.2014 HK\$'000
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**Note 1 – Inventories**

Raw materials	2,902	5,561
Work in progress	3,620	40,501
Finished goods	16,455	13,962
	<u>22,977</u>	<u>60,024</u>

**Note 2 – Trade and other receivables**

Trade receivables	62,064	63,830
Bill receivables	1,050	1,937
Consideration receivable*	30,737	
Other receivables	11,466	23,236
	<u>105,317</u>	<u>89,003</u>

\* Consideration receivable had been received on 10 February 2015

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

**Amount repayable in one year or less, or on demand**

**(In HK\$'000)**

<b>As at 31 December 2014</b>		<b>As at 31 March 2014</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	-	29,136	-

**Amount repayable after one year**

**(In HK\$'000)**

<b>As at 31 December 2014</b>		<b>As at 31 March 2014</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
-	-	-	-

**Details of any collateral**

Following the completion of disposal of subsidiaries, the Group's secured short-term bank loans which were liabilities directly associated with disposal group, had been de-consolidated from the Group's financial statements with effect from the Benchmark Date. Please refer to para 8 and para 10 of this announcement for more details.

As at 31 March 2014, the Group's secured borrowings comprised short term bank loans of approximately HK\$ 29.1 million. The short-term bank loans were secured by the Group's property, plant and equipment of HK\$2.9 million, land use rights of HK\$6.5 million, trade receivables of HK\$10.5 million and guarantees from our Executive Chairman and CEO, Cai Kaoqun and Shenzhen Precision <sup>(1)</sup>. No consideration is paid to Mr Cai or Shenzhen Precision for the guarantees.

(1) Shenzhen Kunda Precision Mould Co., Ltd – 深圳市群达行精密模具有限公司, a company incorporated in China. The shareholders of Shenzhen Precision are our Executive Chairman and CEO, Cai Kaoqun and our Executive Director Cai Kaobing who hold 95% and 5% of the equity interests in Shenzhen Precision respectively. The directors of Shenzhen Precision are Cai Kaoqun, and our Executive Directors, Yang Jinbiao and Cai Kaobing. As disclosed in our prospectus dated 30 September 2008, the Group had entered into the outsourcing arrangement, technical fee arrangement and purchase of raw materials arrangement with the company and all the above arrangements had ceased.

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

	<b>Group (HK\$'000)</b>		<b>Group (HK\$'000)</b>	
	<b>3Q2015</b>	<b>3Q2014</b>	<b>9M2015</b>	<b>9M2014</b>
<b>Operating activities</b>				
Profit/(Loss) before tax from continuing operations	1,004	(505)	19,709	(8,405)
Loss before tax from discontinued operations	1	(6,168)	(4,696)	(17,587)
Profit/(Loss) before tax, total	1,005	(6,673)	15,013	(25,992)
Adjustments for:				
Depreciation of property, plant and equipment (Note A)	1,008	3,507	3,394	10,997
Amortisation of intangible assets	-	17	-	52
Amortisation of land use rights (Note B)	2	437	575	1,306
Impairment loss on inventories (Note C)	244	(26)	1,119	1,166
Impairment loss on doubtful trade and other receivables (Note D)	-	729	112	869
Gain on disposal of property, plant and equipment	(94)	(1)	(185)	(410)
Gain on disposal of subsidiaries	-	-	(14,111)	-
Interest income	(89)	(397)	(653)	(713)
Translation differences	(1,077)	1,743	(7,461)	4,069
Operating cash flows before working capital changes	999	(664)	(2,197)	(8,656)
(Increase)/decrease in:				
Trade and other receivables	(20,230)	1,139	(2,226)	(13,558)
Inventories	(5,549)	(2,683)	4,311	(6,143)
Prepayments	10,526	(2,880)	6,407	(5,984)
Amount due from related parties, net	(11)	238	(36)	13,053
Increase/(decrease) in:				
Trade and other payables	18,583	16,969	16,249	24,015
Other liabilities	(225)	(950)	(12,222)	(3,508)
Cash flows from/(used in) operations	4,093	11,169	10,286	(781)
Interest received	89	397	653	713
Income tax paid	-	(3)	(1,308)	(3,563)
<b>Net cash flows from/(used in) operating activities</b>	<b>4,182</b>	<b>11,563</b>	<b>9,631</b>	<b>(3,631)</b>
<b>Investing activities</b>				
Purchase of property, plant and equipment (Note E)	(572)	(3,656)	(7,980)	(9,124)
Proceeds from disposal of property, plant and equipment	94	1	185	739
Government grants received	472	6,463	596	7,164
Net cash outflow from disposal of subsidiaries (Note F)	-	-	(8,549)	-
<b>Net cash flows (used in)/from investing activities</b>	<b>(6)</b>	<b>2,808</b>	<b>(15,748)</b>	<b>(1,221)</b>
<b>Financing activities</b>				
Repayment of finance lease obligations	-	(54)	-	(405)
Proceeds from short term borrowings	5	4,279	1,694	18,573
Repayment of short term borrowings	(59)	(18)	(20,511)	(7,347)
<b>Net cash flows (used in)/from financing activities</b>	<b>(54)</b>	<b>4,207</b>	<b>(18,817)</b>	<b>10,821</b>

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

	Group (HK\$'000)		Group (HK\$'000)	
	3Q2015	3Q2014	9M2015	9M2014
Net increase/(decrease) in cash and cash equivalents	4,120	18,578	(24,936)	5,969
Effect of unrealised foreign currency difference	(161)	290	118	585
Cash and cash equivalents at beginning of financial period	9,910	9,221	38,687	21,535
<b>Cash and cash equivalents at end of financial period</b>	<b>13,869</b>	<b>28,089</b>	<b>13,869</b>	<b>28,089</b>
<b>Note A:</b>				
<b>Depreciation of property, plant and equipment:</b>				
Depreciation of property, plant and equipment from continuing operations	1,004	938	2,101	3,389
Depreciation of property, plant and equipment from discontinued operations	4	2,569	1,293	7,608
Total depreciation of property, plant and equipment	1,008	3,507	3,394	10,997
<b>Note B:</b>				
<b>Amortisation of land use rights:</b>				
Amortisation of land use rights from continuing operations	-	-	-	-
Amortisation of land use rights from discontinued operations	2	437	575	1,306
Total amortisation of land use rights	2	437	575	1,306
<b>Note C:</b>				
<b>Impairment loss on inventories:</b>				
Impairment loss on inventories from continuing operations	244	(64)	504	899
Impairment loss on inventories from discontinued operations	-	38	615	267
Total impairment loss on inventories	244	(26)	1,119	1,166
<b>Note D:</b>				
<b>Impairment loss on doubtful trade and other receivables:</b>				
Impairment loss on doubtful trade and other receivables from continuing operations	-	-	-	7
Impairment loss on doubtful trade and other receivables from discontinued operations	-	729	112	862
Total Impairment loss on doubtful trade and other receivables	-	729	112	869
<b>Note E:</b>				
<b>Cash outflow on purchase of property, plant and equipment:</b>				
Aggregate cost of property, plant and equipment acquired	474	2,122	11,656	7,276
Add: Payment for prior years acquisitions	-	-	115	532
Add/(Less): Outstanding payments	1,097	(143)	(695)	(368)
(Less)/Add: Movement of prepayments made	(999)	1,677	(3,096)	1,684
Cash payments made to acquire property, plant and equipment	572	3,656	7,980	9,124
<b>Note F:</b>				
<b>Net cash outflow from disposal of subsidiaries:</b>				
Sale consideration received upon the Completion of the Proposed Disposal, was classified as other receivable as at 31 December 2014. The full consideration was received on 10 February 2015	-	-	-	-
Cash and cash equivalents of the subsidiaries	-	-	(8,549)	-
Net cash outflow from disposal of subsidiaries	-	-	(8,549)	-



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.

	Attributable to owners of the Company							Non-controlling interests HK\$'000
	Equity, total HK\$'000	Equity attributable to owners of the Company, HK\$'000	Share capital HK\$'000	Accumulated losses HK\$'000	Restructuring reserve HK\$'000	Statutory reserve HK\$'000	Foreign currency translation reserve HK\$'000	
<b>Group</b>								
<b>3Q2015</b>								
Opening balance at 1 October 2014	55,686	33,948	145,057	(60,080)	(74,397)	-	23,368	21,738
Loss net of tax	1,004	(246)	-	(246)	-	-	-	1,250
Other comprehensive income for the period	(916)	(635)	-	-	-	-	(635)	(281)
Total comprehensive income for the period	88	(881)	-	(246)	-	-	(635)	969
Closing balance at 31 December 2014	55,774	33,067	145,057	(60,326)	(74,397)	-	22,733	22,707

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.

	Attributable to owners of the Company							Non-controlling interests HK\$'000
	Equity, total HK\$'000	Equity attributable to owners of the Company, HK\$'000	Share capital HK\$'000	Accumulated profits HK\$'000	Restructuring reserve HK\$'000	Statutory reserve HK\$'000	Foreign currency translation reserve HK\$'000	
<b>Group</b>								
<b>3Q2014</b>								
Opening balance at 1 October 2013	134,799	89,790	145,057	20,197	(106,937)	3,435	28,038	45,009
Loss net of tax	(6,954)	(6,110)	-	(6,110)	-	-	-	(844)
Other comprehensive income for the period	2,233	1,740	-	-	-	-	1,740	493
Total comprehensive income for the period	(4,721)	(4,370)	-	(6,110)	-	-	1,740	(351)
<u>Contributions by and distributions to owners</u>								
Appropriation to statutory reserve	-	-	-	(30)	-	30	-	-
Total transactions with the owners in their capacity as owners	-	-	-	(30)	-	30	-	-
Closing balance at 31 December 2013	130,078	85,420	145,057	14,057	(106,937)	3,465	29,778	44,658

**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.**

	<b>Attributable to owners of the Company</b>			
	<b>Equity, total</b>	<b>Share capital</b>	<b>Accumulated losses</b>	<b>Foreign currency translation reserve</b>
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Company</b>				
<b>3Q2015</b>				
Opening balance at 1 October 2014	83,981	145,057	(78,945)	17,869
Loss net of tax	(784)	-	(784)	-
Other comprehensive income for the period	(893)	-	-	(893)
Total comprehensive income for the period	(1,677)	-	(784)	(893)
Closing balance at 31 December 2014	82,304	145,057	(79,729)	16,976
<b>3Q2014</b>				
Opening balance at 1 October 2013	152,390	145,057	(10,818)	18,151
Loss net of tax	(1,714)	-	(1,714)	-
Other comprehensive income for the period	1,685	-	-	1,685
Total comprehensive income for the period	(29)	-	(1,714)	1,685
Closing balance at 31 December 2013	152,361	145,057	(12,532)	19,836

- 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.**

	<b>Number of shares</b>	<b>Resultant issued and Paid-up share capital (HK\$,000)</b>
<b>Share capital as at 31 March 2014 and 31 December 2014</b>	<b>352,000,000</b>	<b>145,057</b>

The Company has no outstanding convertibles or treasury shares 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.

- 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.**

	31 December 2014	31 March 2014
Total number of issued shares excluding treasury shares	352,000,000	352,000,000

- 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.**

There is no sale, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

- 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 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 had consistently applied the same accounting policies and methods of computation in the Group's financial statements for the current financial period as compared with the most recently audited annual financial statements for the financial year ended 31 March 2014, except for the adoption of certain new or revised FRS and Interpretations to FRS which became mandatory from 1 April 2014. The adoption of these FRS and INT FRS has no significant impact to the Group.

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.**

Please see explanation in 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.**

		Group			
		3Q2015	3Q2014	9M2015	9M2014
(Loss)/Profit of the Group, after deducting any provision for preference dividends and non-controlling interests	HK\$'000	(246)	(6,110)	12,656	(25,888)
(Loss)/Profit per share Basic	HK cents	(0.1)	(1.7)	3.6	(7.4)

Basic earnings per share are calculated based on weighted average number of shares issued of 352,000,000 (9M2014: 352,000,000) ordinary shares.

Diluted earnings per share are not presented as there are no potential dilutive shares in existence as at balance sheet date.

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.**

	Group		Company	
	31 Dec 2014	31 Mar 2014	31 Dec 2014	31 Mar 2014
Net asset value per ordinary share less non-controlling interest, based on 352 million shares as at 31 December 2014 and 31 March 2014	HK cents	HK cents	HK cents	HK cents
	9.4	9.9	23.4	30.1

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:-**
- **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**
  - **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Completion of disposal of subsidiaries and adjustments made to financial statements**

On 10 June 2014, the Group announced the entry into a conditional sale and purchase agreement with Mr Yu Jiahong (the "Purchaser") relating to the disposal of three subsidiaries, namely, Kunda Mould (International) Company Limited ("KMI"), Kunda Mould (Shenzhen) Co. Ltd. ("KMS") and Changchun FAW-Sihuan Lida Pressed Component Co. Ltd. ("CCL") (collectively "Sale Entities") through the sale of all the shares in KMI to the Purchaser. The above transaction had been approved by shareholders of the Company during an Extraordinary General Meeting held on 25 July 2014.

**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:-**

- 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
- any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

On 9 February 2015, the Company and the Purchaser had agreed that the Benchmark Date for the Proposed Disposal is fixed at 31 July 2014 at a consideration of HK\$30,737,000. The Proposed Disposal was completed on 10 February 2015.

Under the terms of the conditional sale and purchase agreement, the risk and rewards associated with the Sale Shares are transferred to the Purchaser with effect from the Benchmark Date. As such, the Disposal is deemed to have been completed on 31 July 2014 and the relevant adjustments were made to the Company's and Group's financial statements.

The Group's financial statements for the financial period ended 30 September 2014, which was announced on 7 November 2014, includes the financial results of the entities to be disposed of for the period from 1 April 2014 to 30 September 2014. As the Benchmark Date is fixed at 31 July 2014, the financial statements of the entities to be disposed of, are de-consolidated from the Group's financial statements with effect from the Benchmark Date, upon the Completion of the Proposed Disposal. The corresponding adjustments had been made to the Group's financial results for the financial period ended 30 September 2014 and the key statistics of restated financial results are as below:

	2Q2015 (As previously stated)	2Q2015 (Restated)	1H2015 (As previously stated)	1H2015 (Restated)
Revenue (HK\$'000)	46,928	46,928	99,729	99,729
Other income	417	14,528	466	14,577
Other expenses	(774)	6,657	(1,073)	6,358
Loss from discontinued operations, net of tax	(3,709)	(1,775)	(6,631)	(4,697)
(Loss)/Profit for the period (HK\$'000)	(4,368)	19,108	(9,468)	14,008
(Loss)/Earnings per ordinary share (HK cents)	(1.2)	5.2	(2.7)	3.7

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:-**
- **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**
  - **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

	As at 30 September 2014 (As previously stated)	As at 30 September 2014 (Restated)
Net asset value less non-controlling interest (HK\$'000)	26,592	33,947
Net asset value per ordinary share less non-controlling interest (HK cents)	7.6	9.6
Gearing (%)	61.3% ( Short-term bank loans classified as liabilities directly associated with disposal group classified as held for sale)	Nil

Following the Completion of the Proposed Disposal with the Benchmark date fixed at 31 July 2014, a HK\$14.1 million gain on disposal of subsidiaries and a HK\$7.4 million net foreign exchange translation gain would be included in 2Q2015 financial results, while the loss from discontinued operations would be restated to HK\$1.8 million in 2Q2015. Please refer to para 10 and the announcements made by the Group for more details on the transactions with the Purchaser.

#### **Overall profit and loss**

After the completion of the Proposed Disposal, the Group's principal businesses are i) the manufacture and sale of In-Mould-Decoration ("IMD") and other plastic components and ii) the manufacture and sale of plastic automobile components from our factory in Beijing. Following the Disposal, the Group relies heavily on Beijing-Hyundai related sales for its revenue. In 9M2015, revenue for Beijing-Hyundai related sales accounts for approximately 83% of the post-disposal revenue of the Group.

In 3Q2015, Group revenue declined by 7.3% as compared to 3Q2014, mainly due to decrease in revenue from our IMD and plastic injection parts segment. Despite the decline in revenue, overall gross profit in 3Q2015 increased by 19.0% as compared to 3Q2014.

Following the increase in gross profit and decreases in other items of expense, income tax expenses and loss from discontinued operations, offset by the decrease in other items of income, the Group recorded a net profit of HK\$1.0 million in 3Q2015 compared to the net loss of HK\$7.0 million in 3Q2014.

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:-
- 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
  - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

**Revenue and Gross Profit**

	<b>IMD and plastic injection part</b>	<b>Automobile component</b>	<b>Total</b>
	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>
<b>3Q2015</b>			
<b>3Q2015 Revenue</b>	5,741	51,272	<b>57,013</b>
<b>3Q2014 Revenue</b>	10,169	51,344	<b>61,513</b>
<b>% change</b>	(43.5)	(0.1)	<b>(7.3)</b>
<b>3Q2015 Sales mix</b>	10.1	89.9	<b>100.0</b>
<b>3Q2014 Sales mix</b>	16.5	83.5	<b>100.0</b>
<b>3Q2015 Gross profit</b>	230	8,506	<b>8,736</b>
<b>3Q2014 Gross profit</b>	566	6,774	<b>7,340</b>
<b>% change</b>	(59.4)	25.6	<b>19.0</b>
<b>3Q2015 Gross profit margin</b>	4.0%	16.6%	<b>15.3%</b>
<b>3Q2014 Gross profit margin</b>	5.6%	13.2%	<b>11.9%</b>
<b>Percentage point difference</b>	(1.6)	3.4	<b>3.4</b>

	<b>IMD and plastic injection part</b>	<b>Automobile component</b>	<b>Total</b>
	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>	<b>(HK\$'000)</b>
<b>9M2015</b>			
<b>9M2015 Revenue</b>	21,031	135,711	<b>156,742</b>
<b>9M2014 Revenue</b>	23,702	137,906	<b>161,608</b>
<b>% change</b>	(11.3)	(1.6)	<b>(3.0)</b>
<b>9M2015 Sales mix</b>	13.4	86.6	<b>100.0</b>
<b>9M2014 Sales mix</b>	14.7	85.3	<b>100.0</b>
<b>9M2015 Gross profit</b>	1,477	19,024	<b>20,501</b>
<b>9M2014 Gross profit</b>	1,561	15,551	<b>17,112</b>
<b>% change</b>	(5.4)	22.3	<b>19.8</b>
<b>9M2015 Gross profit margin</b>	7.0%	14.0%	<b>13.1%</b>
<b>9M2014 Gross profit margin</b>	6.6%	11.3%	<b>10.6%</b>
<b>Percentage point difference</b>	0.4	2.7	<b>2.5</b>



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:-**
- **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**
  - **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

In 3Q2015, Group revenue declined by 7.3% from HK\$61.5 million in 3Q2014 to HK\$57.0 million in 3Q2015. The decrease in revenue is mainly due to decrease in sales from our IMD and plastic injection part segment. Despite the decline in revenue, overall gross profit had increased by 19.0% from HK\$7.3 million in 3Q2014 to HK\$8.7 million in 3Q2015. Overall gross margin also improved from 11.9% in 3Q2014 to 15.3% in 3Q2015. The increase in overall gross profit margin in 3Q2015 is due to improvement in gross margin from our automobile component segment, partially offset by decline in gross margin from our IMD and plastic injection part segment.

In 3Q2015, our IMD revenue decreased by 43.5% from HK\$10.2 in 3Q2014 to HK\$5.7 million in 3Q2015. The decrease in IMD revenue was mainly due to decrease in domestic sales to the customers in electronics industry. As a result of the decline in revenue and under utilisation of capacity, gross margin of our IMD segment had also declined from 5.6% in 3Q2014 to 4.0% in 3Q2015.

In 3Q2015, our Automobile component sales had remained relatively stable as compared to 3Q2014. Gross margin for our Automobile component segment improved from 13.2% in 3Q2014 to 16.6% in 3Q2015. The improvement is mainly due to a favourable price adjustment of HK\$0.7 million relating to sub-contracting charges and a once-off, non-recurring automobile mould compensation of HK\$1.0 million granted from our customer, Beijing Hyundai, recorded in 3Q2015. If the price adjustment and mould compensation were disregarded, the Group's adjusted gross margin for the automobile component segment would have been 13.2% in 3Q2015 (instead of the current 16.6%) which had remained stable as compared to 13.2% in 3Q2014.

#### **Other items of income**

The decrease in interest income in 3Q2015 is mainly due to decrease in interest income charged on advances given to the minority shareholder of one of our subsidiaries following full repayment received in November 2014.

The decrease in other income in 3Q2015 was mainly due to decreases in sale of raw materials and scrap materials, offset by the increase in gain on disposal of plant and equipment.

#### **Other items of expense**

Following the decline in revenue, our selling and distribution expenses also decreased from HK\$2.9 million in 3Q2014 to HK\$2.8 million in 3Q2015.

In 3Q2015, general and administrative expenses increased from HK\$4.7 million in 3Q2014 to HK\$5.2 million in 3Q2015. The increase is mainly due to:

- Increase in rental expenses of HK\$0.5 million in 3Q2015 mainly due to increases in rental rates and rented spaces for our new premises in Beijing. The larger floor area in the new Beijing factory includes dormitories for most of our workforce, while our previous factory does not include living quarters;
- Increase in product testing related expense of HK\$0.4 million in 3Q2015 for the automobile components of forthcoming new car models.
- Increase in staff welfare expenses of HK\$0.2 million for certain subsidiary that had performed well in 3Q2015; offset by
- Decrease in research expenses for our IMD operation by HK\$0.7 million in 3Q2015 as compared to 3Q2014.

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:-**
- 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
  - any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Please refer to Note 3 on page 3 of this announcement for the composition of other expenses. In 3Q2015, other expenses comprised net foreign exchange gain and impairment loss on inventories. The foreign exchange difference was mainly attributed to exchange loss from non-trade, unrealised book translation of Hong Kong dollar denominated balances between companies within the Group. In 3Q2015, the gain arises from the appreciation of Hong Kong dollars against Renminbi during this financial period. In 3Q2015, impairment loss on inventories mainly relates to the write down in value of certain IMD moulds under construction from our IMD segment as a result of unforeseen increase in cost of production and uncertainty in securing price revision from the customer.

**Discontinued operation**

The results of Changchun Kunda-Guoan Automobile Plastic Mould Company Limited ("CKG"), Shenzhen Qunxinda Wu Jin Company Limited ("QXD") and Sale Entities are presented separately in the statement of comprehensive income within one line item, "Loss from discontinued operation, net of tax".

The results of discontinued operations for the financial period ended 31 December, in accordance with the requirements of FRS 105 are as follows:

<b>Income statement for discontinued operations</b>	<b>Apr-Jul 2014 ("4M2015")</b>	<b>Apr-Dec 2013 ("9M2014")</b>	<b>%</b>
Revenue	35,076	77,380	(54.7)
Expenses	(38,004)	(91,668)	(58.5)
Loss from operations	(2,928)	(14,288)	(79.5)
Interest income	42	2,484	(98.3)
Finance costs	(1,083)	(4,653)	(76.7)
Impairment loss on trade and other receivables	(112)	(863)	(87.0)
Impairment loss on inventories	(615)	(267)	130.3
Taxation	-	(55)	(100.0)
Loss from discontinued operation, net of tax	(4,696)	(17,642)	(73.4)

Following the completion of disposals of our discontinued operations, the financial statements of QXD, CKG and Sale Entities had been de-consolidated from the group's financial statement with effect from 31 March 2014 (QXD) and 31 July 2014 (CKG and Sale Entities) respectively. As such, the revenue and expenses of discontinued operations had declined in 4M2015 as compared to 9M2014. Following decreases in loss from operations, finance costs and impairment loss on trade and other receivables, offset by decrease in interest income and increase in impairment loss on inventories, net loss from discontinued operations decreased by 73.4% from HK\$17.6 million in 9M2014 to HK\$4.7 million in 4M2015.

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:-**
- **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**
  - **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

#### **Balance sheet**

##### Non-current assets

The decrease in property, plant and equipment is mainly due to:

- Disposal of plant and equipment through disposal of Sale Entities, amounting to HK\$23.0 million; and
- Current period depreciation charges of HK\$3.4 million (including depreciation charges from Sale Entities); offset by
- Additions of HK\$11.7 million mainly relating to acquisition of plant and equipment and renovations in relation to the shift of our automobile component production facilities to the new factory in Beijing; and
- Translation gains of HK\$0.1 million arisen from the translation of property, plant and equipment of our PRC subsidiaries.

The decrease in land use rights was mainly due to the disposal of land use rights through disposal of Sale Entities, amounting to HK\$5.9 million and current period amortisation charges of HK\$0.6 million.

The decrease in non-current prepayment is mainly due to decrease in prepayments by HK\$3.1 million mainly for the renovation of the new factory of Beijing Baiju, following the completion of the renovation.

##### Current assets and current liabilities

Inventories had decreased by 61.7% as compared to 31 March 2014. This was mainly due to:

- Disposal of Sale Entities which holds HK\$39.9 million of inventory as at 31 March 2014; offset by
- Increase in inventories of HK\$3.0 million from our Automobile Component segment following the increase in automobile moulds used in the production of automobile components in Beijing.

Bill receivables of our Group relates to bank bills received from customers for the sale of products, the amount of bank bills held at any point in time is mainly dependent on the maturity period of the bank bills. Combined trade receivables and bill receivables of our Group as at 31 December 2014 had decreased by 4.0% as compared to 31 March 2014. This was mainly due to:

- Disposal of Sale Entities which holds HK\$23.9 million of combined trade receivable and bill receivables as at 31 March 2014; and
- Decrease in combined trade receivable and bill receivables of HK\$3.4 million from our IMD and plastic injection part segment following the decline in our IMD revenue; offset by
- Increase in trade receivables of HK\$24.7 million from our Automobile Component segment. Generally, the group grants two months credit term from the invoice date to our automobile component customers. The increase was mainly due to timing difference of sale invoices issued and slower repayment from our customers for the automobile components sold in October 2014. The overdue debts had been collected in full in January 2015. In addition, the increase was also due to increase in revenue by HK\$9.6 million for the last two months of 3Q2015 (November and December 2014) as compared to February and March 2014.

As a result of slower collections from our automobile component customers, the combined bill and trade receivable turnover days had also increased from 79 days in FY2014 to 111 days in 9M2015. As mentioned above, the trade debts from Beijing-Hyundai sales that were past due had been collected in January 2015.

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:-**
- **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**
  - **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Other receivables increased by 81.6% as compared to 31 March 2014. This was mainly due to:

- Increase in other receivable for sale consideration of the Proposed Disposal, amounting to HK\$30.7 million, which had been collected in full on 10 February 2015; and
- Increase in receivables from the provision of raw materials to sub-contractors for further processing of our automobile component products, from HK\$10.1 million as at 31 March 2014 to HK\$10.4 million as at 31 December 2014. After the delivery of the final products to our customers, these raw material receivables will generally be offset against the final subcontracting charges which will be inclusive of the cost of raw materials. The transaction is structured in such a manner for better control over raw material wastage incurred by the sub-contractors. The corresponding accrued subcontracting charges payable to these sub-contractors had also increased from HK\$16.0 million as at 31 March 2014 to HK\$19.4 million as at 31 December 2014. The Group do not expect any significant credit risk arising from these receivables as the Group is generally in a net payable position to these sub-contractors after taking into consideration the subcontracting costs payable to them. On the whole, the net payable position of the Group to these sub-contractors had increased from HK\$5.9 million as at 31 March 2014 to HK\$9.1 million as at 31 December 2014; offset by
- Decrease in advances given to the minority shareholder of one of our subsidiaries by HK\$10.0 million;
- Decrease in VAT and other tax receivables of HK\$1.4 million; and
- Disposal of Sale Entities which holds HK\$1.1 million of other receivables as at 31 March 2014.

Current prepayments mainly comprised prepayments made to raw material suppliers and sub-contractors. The decrease in prepayments was mainly due to:

- Disposal of Sale Entities which holds HK\$6.0 million of prepayments as at 31 March 2014; and
- Decrease in prepayments of HK\$4.2 million made to the raw material suppliers and sub-contractors of our automobile components segment.

#### Assets and liabilities of disposal group classified as held for sale

Upon the Completion of the Proposed Disposal, the assets and liabilities of disposal group had been de-consolidated from the group's financial statement with effect from 31 July 2014.

#### Non-current and Current Liabilities

Trade and other payables decreased by 25.1% as compared to 31 March 2014. This was mainly due to:

- Disposal of Sale Entities which holds HK\$34.3 million of trade and other payables as at 31 March 2014; and
- Decrease in trade and other payables of our IMD operation by HK\$0.9 million as a result of decline in sales and production volume; offset by
- Increase in trade and other payables of our automobile component business of approximately HK\$5.1 million (including the accrued sub-contracting charges mentioned above); and
- Increase in advances of HK\$1.8 million given by one of the disposed subsidiaries which are interest free, unsecured and repayable on demand to finance the daily operation in Singapore.

Other liabilities comprise mainly advances from customers, accruals of operating expenses and VAT and other tax payables. The decrease in other liabilities was mainly due to:

- Disposal of Sale Entities which holds HK\$23.3 million of other liabilities as at 31 March 2014; and
- Decrease in accrued operating expenses of our automobile component business of HK\$0.7 million.

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:-**
- **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**
  - **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Amount due to related parties relates to HK\$0.4 million advances given by a director and an HK\$0.5 million amount owing to Shenzhen Precision.

The decreases in borrowings and deferred government grants were mainly due to disposal of Sale Entities which holds HK\$29.1 million and HK\$11.1 million of short-term bank loans and deferred government grants as at 31 March 2014 respectively.

The decline in provision for taxation is mainly due to income tax payment made during the financial period.

#### **Cash flow**

In 3Q2015, overall cash and cash equivalent increased by HK\$4.1 million. The increase in 3Q2015 overall cash and cash equivalent was mainly due to operating cash inflow of HK\$4.2 million in 3Q2015 and government grants of HK\$0.5 million received in 3Q2015, offset by capital expenditure of HK\$0.6 million (from investing activities).

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 has been previously issued.

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.**

With continuing uncertainties over the strength and sustainability of the economic recovery of the major global economies and continuing weakness in the China and Europe economy, the Group expects overall business condition to remain challenging and volatile in this unstable global environment.

On 10 June 2014, the Group announced the entry into a conditional sale and purchase agreement with Mr Yu Jiahong (the "Purchaser") relating to the disposal of three subsidiaries, namely, Kunda Mould (International) Company Limited ("KMI"), Kunda Mould (Shenzhen) Co. Ltd. ("KMS") and Changchun FAW-Sihuan Lida Pressed Component Co. Ltd. ("CCL") (collectively "Sale Entities") through the sale of all the shares in KMI to the Purchaser ("Proposed Disposal"). The shareholders of the Company had approved the Proposed Disposal at the extraordinary general meeting held on 25 July 2014.

On 9 February 2015, the Company and the Purchaser had agreed that the Benchmark Date for the Proposed Disposal is fixed at 31 July 2014. The Proposed Disposal was completed on 10 February 2015.

Please refer to the shareholders' circular dated 10 July 2014 and announcements dated on 10 June 2014, 25 July 2014, 9 February 2015 and 10 February 2015 for details.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

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

No.

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

**12. If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared or recommended.

**13. Interested person transactions**

Pursuant to Rule 920(1)(a)(ii) of the Listing Manual, the Company discloses the aggregate value of interested person transactions as follows:

	<b>Aggregate value of all interested person transactions during financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) HK\$'000</b>	<b>Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) HK\$'000</b>
<b>Shenzhen Kunda Precision Mould Co., Ltd ("Shenzhen Precision")</b>		
Rental of factory premise at Bao Long Yi Road	1,434	-
<b>Total</b>	<b>1,434</b>	<b>-</b>

Referring to Note 10 of this announcement, as the Benchmark date is fixed as 31 July 2014, the financial statements of the disposal group, including KMS, had been de-consolidated from the Group's financial statements with effect from the Benchmark Date. The corresponding adjustments had been made to the Group's interested person transactions. The interested person transaction, presented above, covers the rental of factory premise at Bao Long Yi Road between KMS and Shenzhen Precision for the period from 1 April 2014 to 31 July 2014.

The lease of the Bao Long Industrial Park factory is based on independent market valuation. Under Rule 916 of the Listing Manual, the lease is not required to comply with Rule 906.

No interested person transaction mandate had been obtained from shareholders.

**14. Confirmation by the Board pursuant to Rule 705(4) of the Listing Manual**

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the financial period ended 31 December 2014 to be false or misleading in any material respect.

**On Behalf of the Board of Directors**

**Cai Kaoqun**  
Executive Chairman and CEO  
12 February 2015  
Singapore

**Yang Jinbiao**  
Executive Director and COO

**BY ORDER OF THE BOARD**  
**CAI KAOQUN**  
**EXECUTIVE CHAIRMAN AND CEO**  
**12 February 2015**