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, 2014

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, 2014, together with comparative figures for the year ended 31st December, 2013 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December, 2014

	Notes	**2014** *HK$'000*	2013 *HK$'000*
Revenue	*2*	**2,403,429**	2,221,203
Other income	*3*	**67,860**	38,510
Increase in fair value of investment properties		**18,000**	30,000
Changes in inventories of finished goods and work in progress		**3,974**	25,543
Raw materials and consumables used		**(1,046,169)**	(967,557)
Employee benefits expenses		**(579,906)**	(513,410)
Depreciation of property, plant and equipment		**(191,693)**	(191,865)
Other expenses		**(500,276)**	(446,348)
Interest on bank borrowings wholly repayable within five years		**(3,666)**	(4,505)
Profit before taxation		**171,553**	191,571
Income tax expense	*4*	**(31,994)**	(44,688)

	Note	**2014**	2013
		HK$'000	*HK$'000*
Profit for the year		**139,559**	146,883
Other comprehensive (expense) income:			
Items that may be reclassified subsequently to profit or loss			
Reclassification adjustment of translation reserve upon deregistration of a subsidiary		**(31,190)**	—
Exchange difference arising on translation of foreign operations		**(76,294)**	70,677
Other comprehensive (expense) income for the year		**(107,484)**	70,677
Total comprehensive income for the year		**32,075**	217,560
Profit for the year attributable to:			
Owners of the Company		**137,837**	145,197
Non-controlling interests		**1,722**	1,686
		139,559	146,883
Total comprehensive income for the year attributable to:			
Owners of the Company		**31,113**	216,231
Non-controlling interests		**962**	1,329
		32,075	217,560
		HK cents	HK cents
Earnings per share	*6*		
- Basic		**21.82**	22.99
- Diluted		**21.82**	22.98

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31st December, 2014

	Notes	At 31st December, 2014 HK$'000	At 31st December, 2013 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Investment properties		**169,500**	151,500
Property, plant and equipment		**1,163,881**	1,137,129
Prepaid lease payments — non-current portion		**95,806**	100,608
Deposits paid for acquisition of property, plant and equipment		**96,281**	79,163
Deferred tax assets		**24,464**	—
		1,549,932	1,468,400
Current assets			
Inventories	*7*	**569,042**	528,927
Trade, bills and other receivables	*8*	**502,340**	472,628
Prepaid lease payments — current portion		**2,332**	2,391
Bank balances and cash		**383,774**	737,441
		1,457,488	1,741,387
Current liabilities			
Trade, bills and other payables	*9*	**396,690**	401,069
Taxation payable		**7,774**	4,676
Dividend payable		**136**	124
Unsecured bank borrowings — due within one year		**92,370**	193,809
		496,970	599,678
Net current assets		**960,518**	1,141,709
Total assets less current liabilities		**2,510,450**	2,610,109

	Note	At 31st December, 2014 HK$'000	At 31st December, 2013 HK$'000
Non-current liabilities			
Deferred tax liabilities		**41,180**	38,480
Other payables	*9*	**85,861**	81,326
		127,041	119,806
Net assets		**2,383,409**	2,490,303
CAPITAL AND RESERVES			
Share capital		**63,168**	63,168
Reserves		**2,306,792**	2,414,648
Equity attributable to owners of the Company		**2,369,960**	2,477,816
Non-controlling interests		**13,449**	12,487
Total equity		**2,383,409**	2,490,303

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 HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) - Int 21	Levies

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[3]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[5]
Amendments to HKAS 1	Disclosure Initiative[5]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[5]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[5]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[4]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[5]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception[5]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 - 2012 Cycle[6]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 - 2013 Cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 - 2014 Cycle[5]

1 Effective for annual periods beginning on or after 1st January, 2018, with earlier application permitted.

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

[3] Effective for annual periods beginning on or after 1st January, 2017, with earlier application permitted.
[4] Effective for annual periods beginning on or after 1st July, 2014, with earlier application permitted.
[5] Effective for annual periods beginning on or after 1st January, 2016, with earlier application permitted.
[6] Effective for annual periods beginning on or after 1st July, 2014, with limited exceptions. Earlier application is permitted.

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 comprehensive income respectively.

Entity-wide disclosures

As at 31st December, 2014 and 2013, 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:

	2014	2013
	HK$'000	*HK$'000*
The PRC (excluding Hong Kong)	**2,067,070**	1,888,765
Hong Kong	**5,377**	4,367
Others	**330,982**	328,071
	2,403,429	2,221,203

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, 2014 and 2013.

3. OTHER INCOME

	2014	2013
	HK$'000	*HK$'000*
Interest income	**16,038**	23,661
Rental income, net of direct outgoings of approximately HK$421,000 (2013: HK$387,000)	**3,665**	3,097
Sundry income	**3,553**	5,230
Net foreign exchange gain	**6,198**	—
Gain on disposal of property, plant and equipment	**7,216**	5,922
Exchange gain on deregistration of a subsidiary	**31,190**	—
Government grants	**—**	600
	67,860	38,510

4. INCOME TAX EXPENSE

	2014	2013
	HK$'000	*HK$'000*
The charge (credit) comprises:		
Hong Kong Profits Tax		
- current year	**45**	127
- under(over)provision in prior years	**41**	(40)
	86	87
Taxation in jurisdictions outside Hong Kong		
- current year	**44,131**	50,104
- under(over)provision in prior years	**83**	(2,683)
- transfer from deferred taxation	**9,458**	7,721
	53,672	55,142
Deferred taxation		
- current year	**(12,306)**	(2,820)
- transfer to current income tax	**(9,458)**	(7,721)
	(21,764)	(10,541)
	31,994	44,688

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

	2014	2013
	HK$'000	*HK$'000*
Dividends recognised as distribution during the year:		
2014 Interim – HK6 cents (2013: 2013 interim dividend of HK6 cents) per share	**37,901**	37,901
2014 Interim special – Nil (2013: 2013 interim special dividend of HK6 cents) per share	**—**	37,901
2013 Final – HK8 cents (2013: 2012 final dividend of HK12 cents) per share	**50,534**	75,801
2013 Final special – HK8 cents (2013: Nil) per share	**50,534**	—
	138,969	151,603

The board of directors have determined that a final dividend of HK7 cents (2013: final dividend of HK8 cents and final special dividend of HK8 cents) per share amounting to approximately HK$44,217,000 (2013: final dividend of HK$50,534,000 and final special dividend of HK$50,534,000) should be paid to the shareholders of the Company whose names appear in the register of members on 20th May, 2015.

6. EARNINGS PER SHARE

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

	2014	2013
	HK$'000	*HK$'000*
Earnings:		
Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	**137,837**	145,197

Number of shares:

	2014	2013
Weighted average number of ordinary shares for the purpose of basic earnings per share	**631,677,303**	631,675,933
Effect of dilutive potential ordinary shares on the exercise of share options	**—**	108,052
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**631,677,303**	631,783,985

The computation of diluted earnings per share for the current year does 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 shares for the year.

No outstanding share options was granted as at 31st December, 2014.

7. INVENTORIES

	2014	2013
	HK$'000	*HK$'000*
Raw materials	**501,983**	465,842
Work in progress	**45,138**	50,474
Finished goods	**21,921**	12,611
	569,042	528,927

The cost of inventories recognised as an expense by the Group during the year amounted to approximately HK$1,949,610,000 (2013: HK$1,733,075,000).

8. TRADE, BILLS AND OTHER RECEIVABLES

	2014	2013
	HK$'000	*HK$'000*
Trade receivables	**446,005**	426,979
Bills receivables	**32,739**	27,244
Less: allowance for doubtful debts	**(33,587)**	(31,928)
	445,157	422,295
Other receivables, deposits and prepayments	**57,183**	50,333
Total trade, bills and other receivables	**502,340**	472,628

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.

	2014	2013
	HK$'000	*HK$'000*
0 to 60 days	**334,424**	318,723
61 to 90 days	**83,829**	87,222
Over 90 days	**26,904**	16,350
	445,157	422,295

9. TRADE, BILLS AND OTHER PAYABLES

	2014	2013
	HK$'000	*HK$'000*
Trade payables	**124,843**	145,130
Bills payables	**30,917**	30,013
Advance receipt from customers	**44,428**	29,112
Deposit received in respect of disposal of a land lease	**6,238**	6,395
VAT payables	**—**	5,408
Provision of employee economic compensation	**129,831**	122,975
Payables for salaries and bonuses	**62,940**	62,872
Other payables	**83,354**	80,490
Total amount	**482,551**	482,395
Less: Amount due within one year shown under current liabilities	**(396,690)**	(401,069)
Amount due after one year	**85,861**	81,326

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

	2014	2013
	HK$'000	*HK$'000*
0 to 60 days	**117,443**	125,513
61 to 90 days	**21,165**	20,960
Over 90 days	**17,152**	28,670
	155,760	175,143

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

During the year ended 31st December, 2014, 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, 2014 was approximately HK$2,403 million (2013: approximately HK$2,221 million). Profit attributable to owners of the Company in the year ended 31st December, 2014 was approximately HK$138 million (2013: approximately HK$145 million). Basic earnings per share in the year ended 31st December, 2014 was HK21.82 cents (2013: HK22.99 cents).

During the year of 2014, except for a little good sign of the United States market, the world global economy still stayed at a depressed status. Confused by the regional political confrontation, the European economic recovery step was in slow pace, the growth rate was still weak. In the meantime, the tightened liquidity of China market caused the slowdown of the domestic market. Hence, the mould market was affected and the product price was continually suppressed. The Group revenue was increased due to the uplift of production effectiveness. Because of the unfavourable global economic environment, the suffering of the initial operation costs of the new plant in Hangzhou city, Zhejiang Province, China, and the decrease in appreciation value of investment property in Hong Kong, China, the Group performance was not up to expectation. Meanwhile, benefited from the exchange gain contributed by the deregistration of the subsidiary located in Guangzhou, Guangdong Province, China, the Group's after tax profit was maintained with a slight drop compared with last year.

During the review period, the Group's Heyuan factory, Guangdong Province, China replaced low efficient machineries with new ones, reduced the reliance in manual operation, but also accelerated the automation process and enforced the machineries maintenance. Furthermore, it continually improved the operation processes by using a time and manpower saving work-flow, streamlined its production process, gradually uplifted its production efficiency and quality level, and elevated the per capita productivity. The result of these measures is encouraging. The production skills became more mature in the high precision mould base production workshop of the Heyuan factory. Nevertheless, the economic recovery pace of European countries, the United States and Japan was not as expected. Moreover, the currencies of many foreign countries tended to depreciate due to the quantitative easing polices launched by countries in turn. This weakened the export competitiveness and impacted on orders quoted in RMB terms. Therefore the sufficiency of the export market order was affected. As a result, the potential of this workshop could not be fully explored.

For the Group's plant in Hangzhou city, Zhejiang Province, China, large size equipment and facilities were completely installed, leading to the right track of operation. Full effort was put to recruit local technical workers, but the shortage of experienced technical labour was still significant. The time required for training new staff together with an ever-rising wage level limited the production output. Consequently, this plant was still in an imbalance of revenues and expenditures. On the other hand, the Group steadily increased sales turnover in the Eastern and Northern regions of China through continually reinforcing its marketing and sales channel, and obtaining the customers' faith and support. Although, it had not achieved the ideal status, a good foundation for future development and increasing revenue for the Group in future was established.

In the reviewed period, owing to the overproduction of mould steel in China, the price of local mould steel gradually moved downwards. The price of imported mould steel remained relatively stable without big variation. During the second half of the review year, there was an easing in the cost of import mould steel due to the continuous depreciation in Euro and Japanese Yen currencies. Yet it was not reflected in the year under review because of the timing difference. Even so, price of the mould steel fluctuated within a predicted range. The Group flexibly regulated its inventory level such that the fluctuation of material cost had minimal effect on the Group's profit.

In conclusion, the Group's overall productivity and turnover was going up, despite the product price was suppressed due to hanging back of the recovery of the global economy. The shortage of technical labour induced wages increase causing rising labour cost. In addition, suffering from the initial operation costs of the new plant in Hangzhou city, Zhejiang Province, China, the benefit of economy of scale resulting the balance of income and expense was not achieved yet. The Group's profit was not in line with the rising turnover. The overall result recorded a slight drop, though it was just satisfied.

Liquidity and Capital Resources

As at 31st December, 2014, the Group had bank balances of approximately HK$384 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$92 million, equal to approximately 3.9% of equity attributable to owners of the Company of approximately HK$2,370 million.

Employees and Remuneration Policies

As at 31st December, 2014, the Group employed a total of approximately 5,700 employees, including approximately 5,300 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 United States economy is recovering continually, yet still in a slow pace, the development trend is promising. This trend benefits export business of the Group's customers, which indirectly generates the demand for the Group's products. Hoping to achieve economic growth of the European countries, Euro zone starts the quantitative easing policy that leads to the depreciation of Euro. Furthermore, such issues as recurrence of Greek debt, bewildering of the Middle East terrorism and the regional wars have adverse impact on creating uncertainties of the export market to the European countries.

In order to achieve the objective of long-term substantiality, China government has set a 7% Gross Domestic Product (GDP) growth target, which is relatively low compared with previous years. By using monetary policies such as reduction of interest rate, lowering of bank reserve rate and fiscal policy of aiding particular industries, China aims to maintain the economic growth. As a whole, desiring that the gradual betterment of United States economy and the turnaround of the Euro zone economy, the revived hope of the global economy can be expedited. The Group foresees that while the global economy may still advance in fluctuation under the uncertain situation, through the effort of government of all countries, it will tend to keep going upwards, though temporarily in small range, but will have a bigger economic recovery in a longer term.

Coupled with the Renminbi's appreciation rate decelerates, or even tends to reverse, and the economies of the United States and Europe incline to improve, the export business of the Group and its customers will be benefited. The Group expects that the sales orders from these countries will gradually rebound, so that the production capacity of high precision mould base production workshop located in the Group's Heyuan factory, Guangdong Province, China can be fully utilized and the strict requirement of the export customers can be fulfilled.

Following the anti-corruption scheme and the effort on building long-term substantive development taken by the Chinese government, together with the appropriate monetary and fiscal policies, China will achieve the 7% GDP growth target and at the same time maintain an upward trend of the domestic market. The living quality of Chinese citizens is perennially uplifted which drives the endless demand for the consumption products such as environmental friendly household electrical appliances, environmental automobile, high-tech electronic products, smart household daily living products. The need for replacing outdated products and upgrading quality of life will ultimately generate the demand for moulds, which in turn stimulates the sales growth of the Group's products. Meanwhile, concerning the marketing business and sales channels, the Group will on one hand enhance its direct sales team, on the other hand adopt multiple sales promotion means such as open up more sales offices and internet sales facilities in order to satisfy local customers' needs and to extend its market coverage. The Group pays particular attention to the development of automobile parts and components market. It anticipates that new models integrated with advanced technology and environmental requirement will consecutively be launched. This will bring the bigger demand of the Group's high end products. The Group will adjust its marketing strategy and development direction to cope with the ever-changing Chinese domestic markets to create bigger revenue.

Taking non-stop effort to implement improvement measures, the Group will enhance the production effectiveness of the Heyuan factory, Guangdong Province, China, in coping with the change of the China labour market. Through installing production facilities with precision and automation, launching automated work-flow, uplifting the efficiency, the effect of labour shortage and rising labour cost on the Group as a typical manufacturing entity will be lessened. In the coming years, the Group will endlessly launch improvement tasks in order to counteract the new development of the social environment and cope with the changing environment. This will become a 'New Normal'.

The plant in Hangzhou city, Zhejiang Province, China, has become more mature. The required production equipments and facilities are basically in place. The production capacity successively uplifts. The Group will put effort in recruiting and training new manpower, ensuring the production capacity to achieve a satisfied level of economy of scale and balancing revenues and expenses, so as to ultimately bring positive return to the Group in future. The Group continues to reinforce its relationship with customers in the Eastern, Central and Northern regions of China. Aiming at fitting in with the characteristic of customers in the automobile parts and components industry, the Group will devise the marketing strategy, including order and logistics coordination, providing quality correlation services to the customer, and cooperating with customer to reach win-win situations. This will help the Group to extend its market share in these areas.

The price of oil has dropped significantly recently, but the operating cost, especially the labour cost is expected to follow an everlasting spiral rise. It is anticipated that the problem of shortage of skilled technical labour will continue. The Group will apply suitable manpower policy and facilities provided to attract and retain competent labour though labour cost will still be unavoidably increasing. Concerning other operating costs, the Group, as before, has actively implemented cost monitoring measures by advocating "green production" and effective resources utilization. The Group will continue to take suitable measures to lower its operating cost and risk, to maintain its competitiveness and to push up the overall operating efficiency.

It is expected that the price of both imported and domestic mould steel will keep fluctuating within a narrow range. The local mould steel price will wander around the low level. For the imported steel, the average cost will be lowered because of the currency depreciation of the exporting countries. The Group will cautiously regulate its inventory level in order to maintain the material cost at a reasonable level.

The Group, same as in the past, focuses on developing its core business and using a consistently prudence, practical and positive approach to continually enhance its management quality. It seeks for excellence in its management mode and production skills, adapts to the changes of the community and the market, and changes its operating strategy in facing up to every challenge and opportunity. The Group strives to consolidate and strengthen its continuous leading position in the industry in order to create higher values for the Group and to bring 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 comprehensive income and the related notes thereto for the year ended 31st December, 2014 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

The Directors have resolved to recommend to shareholders at the annual general meeting of the Company to be held on 11th May, 2015 (the "AGM") the payment of a final dividend of HK7 cents per share (2013: final dividend of HK8 cents per share and final special dividend of HK8 cents per share) for the year ended 31st December, 2014 to shareholders whose names appear on the Register of Members on 20th May, 2015. Subject to the approval by the shareholders at the AGM, the proposed final dividend will be despatched to shareholders on or about 4th June, 2015.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 7th May, 2015 to 11th May, 2015, 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 6th May, 2015.

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 6th May, 2015 will be entitled for attending and voting at the AGM.

The register of members of the Company will also be closed from 19th May, 2015 to 20th May, 2015, both days inclusive, during which period no share transfer will be effected. In order to qualify for the proposed final 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 18th May, 2015.

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 18th May, 2015 will be entitled for the proposed final 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, 2014.

CORPORATE GOVERNANCE

During the year ended 31st December, 2014, 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, 20th March, 2015

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.