

LUXKING GROUP HOLDINGS LIMITED
(Incorporated in Bermuda)

Full Year Financial Statement Announcement for the Year Ended 30 June 2016

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

The directors are pleased to announce the unaudited operating results of the Group for the year ended 30 June 2016.

UNAUDITED RESULTS FOR THE YEAR ENDED 30 JUNE 2016

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

	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2016</u> <u>RMB'000</u>	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2015</u> <u>RMB'000</u>	+ / (-) %
Revenue	498,755	629,337	(20.7%)
Cost of sales	(434,490)	(567,556)	(23.4%)
Gross profit	<u>64,265</u>	<u>61,781</u>	4.0%
Other income (Note 1)	2,003	2,012	(0.4%)
Selling and distribution costs	(17,013)	(16,985)	0.2%
Administrative expenses	(28,415)	(24,727)	14.9%
Other operating expenses	(2,846)	(657)	333.2%
Finance costs	<u>(10,027)</u>	<u>(14,453)</u>	(30.6%)
Profit before income tax	7,967	6,971	14.3%
Income tax expense	<u>(3,331)</u>	<u>(3,277)</u>	1.6%
Profit for the year	<u><u>4,636</u></u>	<u><u>3,694</u></u>	25.5%

1(a)(ii) A statement of profit or loss and other comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2016</u> <u>RMB'000</u>	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2015</u> <u>RMB'000</u>	+ / (-) %
Profit for the year	4,636	3,694	25.5%
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of financial statements of foreign operations	<u>2,955</u>	<u>391</u>	655.8%
Total comprehensive income attributable to the owners of the Company	<u><u>7,591</u></u>	<u><u>4,085</u></u>	85.8%

1(a)(iii) Profit before income tax is arrived at after charging/(crediting):

	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2016</u> <u>RMB'000</u>	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2015</u> <u>RMB'000</u>	+ / (-) %
Property, plant and equipment written-off	238	449	(47.0%)
Impairment loss on property, plant and equipment written back	(932)	-	n/m
Gain on disposals of property, plant and equipment	(13)	(396)	(96.7%)
Fair value gain on investment property	(15)	(10)	50.0%
Depreciation of property, plant and equipment	17,417	17,418	0.0%
Amortisation of land use rights	111	111	0.0%
Bad debts written off	55	45	22.2%
Impairment of trade receivables	2,348	-	n/m
Inventories (write-back)/write-down	(1,315)	3,351	n/m
Interest expenses	10,027	14,453	(30.6%)

Note 1:

Other income comprises the following items:

	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2016</u> <u>RMB'000</u>	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2015</u> <u>RMB'000</u>	+ / (-) %
Net gain on sales of raw materials	826	997	(17.2%)
Interest income	32	108	(70.4%)
Fair value gain on investment property	15	10	50.0%
Net foreign exchange gain	-	376	n/m
Gain on disposals of property, plant and equipment	13	396	(96.7%)
Impairment loss on property, plant and equipment written back	932	-	n/m
Others	<u>185</u>	<u>125</u>	48.0%
	<u><u>2,003</u></u>	<u><u>2,012</u></u>	(0.4%)

n/m = not meaningful comparison

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.

	Group		Company	
	As at 30.6.2016 RMB'000	As at 30.6.2015 RMB'000	As at 30.6.2016 RMB'000	As at 30.6.2015 RMB'000
Assets				
Non-current assets				
Property, plant and equipment	106,466	105,604	-	-
Investment property	390	375	-	-
Land use rights	3,621	3,732	-	-
Investments in subsidiaries	-	-	1	1
Deposits for acquisition of property, plant and equipment	-	1,002	-	-
Investments in subsidiaries	110,477	110,713	1	1
Current assets				
Inventories	55,328	60,870	-	-
Trade receivables	173,030	186,520	-	-
Prepayments, deposits and other receivables	15,702	18,598	114,481	109,164
Restricted bank deposits	1,042	1,975	-	-
Cash and bank balances	25,021	19,520	-	-
	270,123	287,483	114,481	109,164
Total assets	380,600	398,196	114,482	109,165
Equity and liabilities				
Equity attributable to the owners of the Company				
Share capital	133,557	133,557	133,557	133,557
Reserves	32,917	25,326	(21,076)	(26,198)
Total equity	166,474	158,883	112,481	107,359
Current liabilities				
Trade and bills payables	25,145	26,724	-	-
Accrued expenses, deposits received and other payables	19,443	19,963	2,001	1,806
Bank borrowings, secured	107,120	109,989	-	-
Finance lease liabilities	34	123	-	-
Income tax payables	884	1,082	-	-
	152,626	157,881	2,001	1,806
Non-current liabilities				
Finance lease liabilities	-	32	-	-
Other loan	61,500	81,400	-	-
	61,500	81,432	-	-
Total liabilities	214,126	239,313	2,001	1,806
Total equity and liabilities	380,600	398,196	114,482	109,165

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

Amount repayable in one year or less, or on demand

As at 30.6.2016		As at 30.6.2015	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
107,154	-	110,112	-

Amount repayable after one year

As at 30.6.2016		As at 30.6.2015	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
-	61,500	32	81,400

Details of any collateral

The Group's bank borrowings of RMB107,154,000 represent:

- (i) bank loans granted by China Construction Bank and Bank of Communications in the People's Republic of China (the "PRC");
- (ii) export finance granted by Industrial and Commercial Bank of China Limited, China Construction Bank and Bank of Communications in the PRC;
- (iii) bills acceptance granted by Bank of Communications in the PRC;
- (iv) bank loan granted by CTBC Bank Co. Ltd. in Hong Kong under the Hong Kong Mortgage Corporation Limited SME Financing Guarantee Scheme; and
- (v) finance lease granted by OCBC Wing Hang Bank Limited in Hong Kong.

As at 30 June 2016, the Group's bank borrowings were secured by corporate guarantees executed by the Company, a subsidiary of the Company, Mr Leung Chee Kwong and Dr Chan Siu Hang Godwin, directors of the Company, the pledge of certain of the Group's property, plant and equipment, the Group's entire land use rights, certain of the Group's trade receivables, the Group's restricted bank deposits and an independent third party's land use rights.

The Group finance lease liabilities are secured by the underlying assets as the rights to the leased asset would be reverted to the lessor in the event of default of repayment by the Group.

As at 30 June 2016, these bank borrowings and finance lease liabilities bear fixed interest rates ranging from 1.7% to 5.3% per annum and floating interest rates ranging from 1.5% to 3.4% per annum.

Other loan is unsecured and interest bearing at the prevailing market rate in the PRC plus 1% per annum. The effective interest rate was 6.9% per annum as at 30 June 2016. Written consent with the lender was made on 17 December 2015 that the loan repayment date was extended from 2017 to 2018.

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

	Group	Group
	Year ended	Year ended
	30.6.2016	30.6.2015
	RMB'000	RMB'000
Operating activities		
Profit before income tax	7,967	6,971
Adjustments for:		
Amortisation of land use rights	111	111
Property, plant and equipment written-off	238	449
Impairment loss on property, plant and equipment written back	(932)	-
Bad debts written off	55	45
Impairment of trade receivables	2,348	-
Inventories (write-back)/write-down	(1,315)	3,351
Fair value gain on investment property	(15)	(10)
Depreciation of property, plant and equipment	17,417	17,418
Interest expenses	10,027	14,453
Interest income	(32)	(108)
Gain on disposals of property, plant and equipment	(13)	(396)
Operating profit before working capital changes	<u>35,856</u>	<u>42,284</u>
Decrease in inventories	6,857	566
Decrease in trade receivables	13,067	9,684
Decrease in prepayments, deposits and other receivables	3,725	4,659
Decrease in trade and bills payables	(1,656)	(10,156)
(Decrease)/increase in accrued expenses, deposits received and other payables	(1,406)	2,636
Cash generated from operations	<u>56,443</u>	<u>49,673</u>
Interest received	32	108
Income taxes paid	(3,557)	(3,556)
Net cash generated from operating activities	<u>52,918</u>	<u>46,225</u>
Investing activities		
Decrease/(increase) in restricted bank deposits	933	(91)
Purchases of property, plant and equipment	(16,316)	(16,421)
Proceeds from disposals of investment property	-	200
Proceeds from disposals of property, plant and equipment	51	570
Increase in deposits for acquisition of property, plant and equipment	-	(1,002)
Net cash used in investing activities	<u>(15,332)</u>	<u>(16,744)</u>
Financing activities		
Repayments of capital element of finance lease liabilities	(121)	(120)
Interest element of finance lease payments	(4)	(10)
Repayments of other loan	(19,900)	(19,600)
Interest on bank borrowings and other loan	(9,284)	(13,253)
Proceeds from bank borrowings	146,690	129,144
Repayments of bank borrowings	(150,066)	(131,034)
Net cash used in financing activities	<u>(32,685)</u>	<u>(34,873)</u>
Net increase/(decrease) in cash and cash equivalents	4,901	(5,392)
Cash and cash equivalents at beginning of year	19,520	24,977
Effect of foreign exchange rate changes, net	600	(65)
Cash and cash equivalents at end of year	<u>25,021</u>	<u>19,520</u>
Analysis of balances of cash and cash equivalents		
Cash and bank balances	<u>25,021</u>	<u>19,520</u>

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.

Group

	Share capital	Share premium	Other reserves	Exchange reserve	(Accumulated losses)/ Retained Profit	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1.7.2014	133,557	33,961	9,017	(19,535)	(2,202)	154,798
Profit for the year	-	-	-	-	3,694	3,694
Other comprehensive income						
- Exchange gain on translation of financial statements of foreign operations	-	-	-	391	-	391
Total comprehensive income for the year	-	-	-	391	3,694	4,085
Appropriation to other reserves	-	-	451	-	(451)	-
At 30.6.2015 and 1.7.2015	133,557	33,961	9,468	(19,144)	1,041	158,883
Profit for the year	-	-	-	-	4,636	4,636
Other comprehensive income						
- Exchange gain on translation of financial statements of foreign operations	-	-	-	2,955	-	2,955
Total comprehensive income for the year	-	-	-	2,955	4,636	7,591
Appropriation to other reserves	-	-	748	-	(748)	-
At 30.6.2016	133,557	33,961	10,216	(16,189)	4,929	166,474

- 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.

Company

	<u>Share capital</u> RMB'000	<u>Share premium</u> RMB'000	<u>Exchange reserve</u> RMB'000	<u>Accumulated losses</u> RMB'000	<u>Total equity</u> RMB'000
At 1.7.2014	133,557	33,961	(41,500)	(15,132)	110,886
Loss for the year	-	-	-	(2,811)	(2,811)
Other comprehensive income					
- Exchange loss on translation of the Company's financial statements to RMB	-	-	(716)	-	(716)
Total comprehensive income for the year	-	-	(716)	(2,811)	(3,527)
At 30.6.2015 and 1.7.2015	133,557	33,961	(42,216)	(17,943)	107,359
Loss for the year	-	-	-	(3,749)	(3,749)
Other comprehensive income					
- Exchange gain on translation of the Company's financial statements to RMB	-	-	8,871	-	8,871
Total comprehensive income for the year	-	-	8,871	(3,749)	5,122
At 30.6.2016	<u>133,557</u>	<u>33,961</u>	<u>(33,345)</u>	<u>(21,692)</u>	<u>112,481</u>

- 1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share options of 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 reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles 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.

On 18 November 2015, the Board of Directors announced that the share consolidation of every twenty (20) ordinary shares with a par value of HKD0.50 each in the authorised and issued capital of the Company into one (1) consolidated share with a par value of HKD10.00 in the authorised and issued capital of the Company has been completed, fractional entitlements to be disregarded. Accordingly, the issued share capital of the Company is 12,650,000 consolidated shares.

- 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.

	Ordinary shares	
	<u>As at 30.6.2016</u>	<u>As at 30.6.2015</u>
Total number of issued shares (Please refer paragraph 1(d)(ii))	<u>12,650,000</u>	<u>253,000,000</u>

(There were no treasury shares)

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.

Not applicable.

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

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

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

Not applicable.

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

Except as disclosed in item 5 below, the same accounting policies and methods of computations used in the audited financial statements for the year ended 30 June 2015 have been applied to the financial statements for the current year.

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 International Financial Reporting Standards ("IFRS") that are effective during the year. The adoption of these new and amended IFRS did not result in significant changes 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.

	<u>Year ended 30.6.2016</u> RMB cents	<u>Year ended 30.6.2015</u> RMB cents
Basic earnings per ordinary share	<u>36.65</u>	<u>29.20</u> (restated)

Basic earnings per ordinary share for year ended 30 June 2016 are calculated based on the profit attributable to the owners of the Company of approximately RMB4,636,000 (2015: RMB3,694,000) divided by 12,650,000 (2015: 12,650,000, please refer note below) ordinary shares in issue during the year.

Diluted earnings per share for the years ended 30 June 2016 and 2015 are the same as the basic earnings per share, as the Group has no dilutive potential shares during both years.

Note: On 18 November 2015, a share consolidation of twenty (20) existing ordinary shares for one (1) new share completed thereby reducing the number of share in issue. The comparative numbers for the prior year have been adjusted as though that share consolidation had taken place to enable direct comparison. The basic earnings per ordinary share and number of share in issue of the Group without consolidation as reported at 30 June 2015 was RMB1.46 cents per ordinary share and 253,000,000 shares respectively.

7. **Net assets value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

	Group		Company	
	As at 30.6.2016	As at 30.6.2015	As at 30.6.2016	As at 30.6.2015
	RMB cents	RMB cents	RMB cents	RMB cents
Net assets value per ordinary share	<u>1,316.00</u>	<u>1,255.99</u> (restated)	<u>889.18</u>	<u>848.69</u> (restated)

Net assets value per ordinary share is calculated based on the issued ordinary shares of 12,650,000 ordinary shares as at 30 June 2016 and 30 June 2015 (please refer to note below).

Note: On 18 November 2015, a share consolidation of twenty (20) existing ordinary shares for one (1) new share completed thereby reducing the number of share in issue. The comparative numbers for the prior year have been adjusted as though that share consolidation had taken place to enable direct comparison. The net assets value per ordinary share of the Group, the Company and number of share in issue without consolidation as reported at 30 June 2015 was RMB62.80 cents, RMB42.43 cents and 253,000,000 shares respectively.

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.**

(a) Review of Profit and Loss

FY2016 vs FY2015

Group Revenue

Group revenue decreased by 20.7% from RMB629.3 million in FY2015 to RMB498.8 million in FY2016. This was due mainly to softer demand in economy uncertainties in the PRC and lower average selling prices amid of keen competitors.

Sales of biaxially oriented polypropylene films ("BOPP films") decreased 7.9% from RMB318.2 million in FY2015 to RMB293.1 million in FY2016. Sales of industrial specialty tapes ("IS tapes") also declined 42.0% from RMB207.9 million last year to RMB120.6 million in FY2016 as a result of lower average selling prices and slower demand from customers in domestic and overseas markets. The Group recorded lower sales of general purpose adhesive tape ("General tapes") of RMB85.1 million in FY2016, down 17.5% from RMB103.2 million in FY2015.

As a percentage of Group revenue, the BOPP films and IS tapes segments accounted for approximately 58.8% and 24.2% respectively in FY2016. The remaining 17.0% was contributed by the General tapes business.

The Group continued to derive most of its revenue from the domestic market which contributed to 81.3% of total sales in FY2016. In line with slower sales of BOPP films, IS tapes and General tapes, the Group's total revenue from the domestic market contracted by 19.8% from RMB505.3 million in FY2015 to RMB405.3 million in FY2016. Sales to overseas markets were also reduced by 24.7% from RMB124.0 million in FY2015 to RMB93.4 million in FY2016.

Group Gross Profit and Gross Profit Margin

Notwithstanding the 20.7% decrease in revenue, the Group's gross profit increased by 4.0% from RMB61.8 million in FY2015 to RMB64.3 million in FY2016. Correspondingly, the Group's gross profit margin expanded from 9.8% to 12.9% in FY2016.

The increase in gross profit margin was attributed mainly to reduction in raw material costs, appreciation of the US dollar against the Renminbi which helped to lift profit margins of overseas sales, improved sales mix of the BOPP films business and the Group's continual efforts to improve production efficiency. These factors helped to offset the impact of higher labour costs and lower average selling prices in FY2016.

Other Income

Other income remained stable at RMB2.0 million in FY2016.

Selling and Distribution Costs, Administrative and Other Operating Expenses

Although sales volume was lower in FY2016, the total selling and distribution costs remained relatively unchanged at RMB17.0 million due mainly to higher cost of overseas shipments which are usually paid in foreign currencies. This cost has risen as a result of higher export fees as well as the depreciation of the Renminbi currency against the US Dollar and Hong Kong Dollar.

Administrative expenses increased by 14.9% from RMB24.7 million in FY2015 to RMB28.4 million in FY2016, attributed mainly to adjustments to staff salaries and a net foreign exchange loss of RMB1.5 million which arose from the Group's loans that are denominated in US dollars. Other operating expenses increased from RMB0.7 million to RMB2.8 million, attributed mainly to an impairment of trade receivables of RMB2.3 million from a customer as certain products did not meet the customer's technical specifications.

Finance Costs

Finance costs fell 30.6% from RMB14.5 million in FY2015 to RMB10.0 million in FY2016 in tandem with a net decrease in total borrowings.

Group Net Profit

As a result of higher gross profit and lower finance costs, the Group registered higher net profit of RMB4.6 million in FY2016, an increase of 25.5% from RMB3.7 million in FY2015.

(b) Review of Financial Position as at 30 June 2016

Group Financial Position

Non-current assets decreased from RMB110.7 million as at 30 June 2015 to RMB110.5 million as at 30 June 2016. Additions of property, plant and equipment of RMB17.3M were offset by depreciation of RMB17.4 million during FY2016.

Inventories decreased from RMB60.9 million to RMB55.3 million as at 30 June 2016 in line with the level of business activities. Trade receivables decreased from RMB186.5 million to RMB173.0 million at the end of June 2016 due to lower sales and an impairment of RMB2.3 million during FY2016. However, debtor turnover days increased from 108 days in FY2015 to 127 days in FY2016 due to an increase in sales to certain key customers with longer credit terms.

Prepayments, deposits and other receivables decreased from RMB18.6 million as at 30 June 2015 to RMB15.7 million as at 30 June 2016 due mainly to a reduction in deposits paid to suppliers.

Cash and bank balances increased from RMB19.5 million to RMB25.0 million at the end of June 2016.

Restricted bank deposits decreased from RMB2.0 million to RMB1.0 million as at 30 June 2016.

Total borrowings also declined from RMB191.5 million as at 30 June 2015 to RMB168.7 million as at 30 June 2016 due to a reduction in long term loan and net decrease in bank borrowings.

Trade and bills payables decreased from RMB26.7 million at the end of FY2015 to RMB25.1 million at the end of FY2016, while accrued expenses, deposits received and other payables were largely unchanged at RMB19.4 million. Income tax payable declined from RMB1.1 million as at 30 June 2015 to RMB0.9 million as at 30 June 2016, following the payment of income tax expenses of both PRC and Hong Kong subsidiaries.

Group Cash Flows

Net cash generated from operating activities in FY2016 amounted to RMB52.9 million. This was derived primarily from operating profit before working capital changes of RMB35.9 million as well as net working capital inflows of RMB20.6 million, offset partially by payment of income taxes of RMB3.6 million.

Net cash used in investing activities was RMB15.3 million, mainly for the purchases of plant and equipment to enhance the Group's BOPP films production line. Net cash used in financing activities totalled RMB32.7 million, due mainly to interest payments, as well as repayments of other loan and bank borrowings.

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

N/A

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.

As the global economic environment remains uncertain, business conditions are expected to be challenging in the face of slow market demand and continued price pressures. In addition to operating in an intense competitive environment, the Group is also subject to certain factors such as fluctuations in currency rates, raw materials costs and rising labour costs.

The Group will focus on sales of products with higher profit margins, as well as continue to work on improving production efficiency and optimising operating expenses. The Group will also exercise financial prudence in its business operations.

The Group's strategy to achieve long-term business sustainability is to continue strengthening its IS tapes and higher-grade BOPP films businesses. Besides continuous research and development efforts to enhance its product lines, the Group is constantly seeking business growth opportunities from existing customers and new customers.

As a qualified supplier of IS tapes for leading brands of smartphones and other handheld consumer devices, the Group plans to drive this business segment by

adapting and expanding its product offerings to meet the fast-changing requirements of existing and new customers in tandem with customers' new product launches. The Group intends to invest in an additional production line for IS tapes. It will also continue to maintain and enhance its BOPP films manufacturing line as necessary to produce higher grade and more sophisticated BOPP films to optimise its product mix.

11. Dividend

(a) Current Financial Period Reported On

None

(b) Corresponding Period of the Immediately Preceding Financial Year

None

(c) Date Payable

Not applicable.

(d) Books closure date

Not Applicable.

12. If no dividend has been declared/recommended, a statements to that effect.

No dividend has been declared or recommended for the financial year ended 30 June 2016.

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.

There was no IPT in FY2016.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers under Rule 720(1)

Pursuant to Rule 720(1) of the Listing Manual, the Company has procured undertakings from all its directors and executive officers.

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

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

	2016					
	Manufacture of General Tapes RMB'000	Manufacture of Industrial Tapes RMB'000	Manufacture of BOPP films RMB'000	Trading of tapes and BOPP films RMB'000	Eliminations RMB'000	Group RMB'000
Revenue from external customers	27,395	88,781	289,168	93,411	-	498,755
Other income	132	159	535	-	-	826
Inter-segment sales	51,304	22,711	3,832	-	(77,847)	-
Reportable segment revenue	78,831	111,651	293,535	93,411	(77,847)	499,581
Reportable segment results	(1,598)	14,989	4,775	3,558	-	21,724

	2015					
	Manufacture of General Tapes RMB'000	Manufacture of Industrial Tapes RMB'000	Manufacture of BOPP films RMB'000	Trading of tapes and BOPP films RMB'000	Eliminations RMB'000	Group RMB'000
Revenue from external customers	33,075	158,470	313,757	124,035	-	629,337
Other income	148	286	563	-	-	997
Inter-segment sales	49,186	25,307	4,297	-	(78,790)	-
Reportable segment revenue	82,409	184,063	318,617	124,035	(78,790)	630,334
Reportable segment results	(4,556)	16,962	5,583	4,886	-	22,875

	Revenue from external customers	
	2016 RMB'000	2015 RMB'000
The PRC	405,344	505,302
Hong Kong	73,013	99,620
Other countries	20,398	24,415
	498,755	629,337

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

Not applicable.

17. A breakdown of sales.

	Group		
	Year ended 30.6.2016 RMB'000	Year ended 30.6.2015 RMB'000	+ / (-) %
Revenue reported for the 1st half year	262,872	340,388	(22.8%)
Operating profit after tax for 1st half year	2,441	3,244	(24.8%)
Revenue reported for the 2nd half year	235,883	288,949	(18.4%)
Operating profit after tax for 2nd half year	2,195	450	387.8%

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

	Year ended 30.6.2016 RMB'000	Year ended 30.6.2015 RMB'000
Ordinary	NIL	NIL
Total	NIL	NIL

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

Name	Age	Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Leung Hi Man	35	Daughter of Mr Leung Chee Kwong, Chief Executive Director and Executive Chairman	<p>Assistant Sales Manager in the Sales and Marketing Department of the Hong Kong subsidiary, Luxking International Chemicals Limited, since October 2005.</p> <p>In addition, she is also responsible for the Sales and Marketing Department of Hong Kong subsidiary, China King International Trading Limited, since October 2006.</p>	N/A

BY ORDER OF THE BOARD

Lisa Cheng
Company Secretary

29 August 2016