

LUXKING GROUP HOLDINGS LIMITED
(Incorporated in Bermuda)

Full Year Financial Statement Announcement for the Year Ended 30 June 2014

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 2014.

UNAUDITED RESULTS FOR THE YEAR ENDED 30 JUNE 2014

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>30.6.2014</u> <u>RMB'000</u>	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2013</u> <u>RMB'000</u>	<u>+ / (-)</u> <u>%</u>
Revenue	699,141	594,580	17.6%
Cost of sales	<u>(634,139)</u>	<u>(530,395)</u>	19.6%
Gross profit	65,002	64,185	1.3%
Other income (Note 1)	1,660	1,976	(16.0%)
Selling and distribution costs	(16,085)	(16,707)	(3.7%)
Administrative expenses	(23,572)	(25,545)	(7.7%)
Other operating expenses	(3,200)	(868)	268.7%
Finance costs	<u>(14,507)</u>	<u>(15,681)</u>	(7.5%)
Profit before income tax	9,298	7,360	26.3%
Income tax expense	<u>(3,133)</u>	<u>(3,643)</u>	(14.0%)
Profit for the year	<u><u>6,165</u></u>	<u><u>3,717</u></u>	65.9%

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>30.6.2014</u> <u>RMB'000</u>	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2013</u> <u>RMB'000</u>	
Profit for the year	6,165	3,717	65.9%
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>(1,079)</u>	<u>(1,958)</u>	(44.9%)
Total comprehensive income attributable to the owners of the Company	<u>5,086</u>	<u>1,759</u>	189.1%

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

	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2014</u> <u>RMB'000</u>	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2013</u> <u>RMB'000</u>	<u>+ / (-)</u> <u>%</u>
Property, plant and equipment written-off	211	81	160.5%
Impairment of property, plant and equipment	2,100	-	N/M
Gain on disposals of property, plant and equipment	(1)	(6)	(83.3%)
Depreciation of property, plant and equipment	17,291	22,249	(22.3%)
Amortisation of land use rights	112	111	0.9%
Fair value gain on investment properties	(45)	(17)	164.7%
Bad debts written-off	-	566	N/M
Impairment of trade receivables	248	-	N/M
Provision for inventory	114	-	N/M
Write-back for impairment of trade receivables	(17)	-	N/M
(Gain)/loss on financial liabilities at fair value through profit or loss	(108)	131	N/M
Interest expenses	14,507	15,681	(7.5%)
Net foreign exchange (gain)/losses	(317)	955	N/M

Note 1:

Other income comprises the following items:

	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2014</u> <u>RMB'000</u>	<u>Group</u> <u>Year</u> <u>ended</u> <u>30.6.2013</u> <u>RMB'000</u>	<u>+ / (-)</u> <u>%</u>
Profit on sales of raw materials	851	953	(10.7%)
Interest income	29	205	(85.9%)
Fair value gains on investment properties	45	17	164.7%
Net foreign exchange gain	317	-	N/M
Others	418	801	(47.8%)
	<u>1,660</u>	<u>1,976</u>	(16.0%)

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 30.6.2014 RMB'000	As at 30.6.2013 RMB'000	As at 30.6.2014 RMB'000	As at 30.6.2013 RMB'000
Assets				
Non-current assets				
Property, plant and equipment	107,250	105,916	-	-
Investment properties	565	520	-	-
Land use rights	3,843	3,955	-	-
Investments in subsidiaries	-	-	1	1
	<u>111,658</u>	<u>110,391</u>	<u>1</u>	<u>1</u>
Current assets				
Inventories	64,787	77,396	-	-
Trade receivables	196,454	178,329	-	-
Prepayments, deposits and other receivables	23,673	21,686	114,661	118,087
Restricted bank deposits	1,884	7,534	-	-
Cash and bank balances	24,977	30,960	-	-
	<u>311,775</u>	<u>315,905</u>	<u>114,661</u>	<u>118,087</u>
Total assets	<u>423,433</u>	<u>426,296</u>	<u>114,662</u>	<u>118,088</u>
Equity and liabilities				
Equity attributable to the owners of the Company				
Share capital	133,557	133,557	133,557	133,557
Reserves	21,241	16,155	(22,671)	(19,040)
Total equity	<u>154,798</u>	<u>149,712</u>	<u>110,886</u>	<u>114,517</u>
Current liabilities				
Trade and bills payables	36,918	27,135	-	-
Accrued expenses, deposits received and other payables	16,908	15,578	3,776	3,571
Bank borrowings, secured	112,170	117,286	-	-
Finance lease liabilities	119	113	-	-
Derivative financial instruments	-	131	-	-
Income tax payable	1,364	2,565	-	-
	<u>167,479</u>	<u>162,808</u>	<u>3,776</u>	<u>3,571</u>
Non-current liability				
Finance lease liabilities	156	276	-	-
Other loan	101,000	113,500	-	-
	<u>101,156</u>	<u>113,776</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>268,635</u>	<u>276,584</u>	<u>3,776</u>	<u>3,571</u>
Total equity and liabilities	<u>423,433</u>	<u>426,296</u>	<u>114,662</u>	<u>118,088</u>

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

Amount repayable in one year or less, or on demand

As at 30.6.2014		As at 30.6.2013	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
112,289	-	117,399	-

Amount repayable after one year

As at 30.6.2014		As at 30.6.2013	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
156	101,000	276	113,500

Details of any collateral

The Group's bank borrowings of RMB112,445,000 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) bank loan granted by CTBC Bank Co. Ltd. in Hong Kong under the Hong Kong Mortgage Corporation Limited SME Financing Guarantee Scheme; and
- (iv) finance lease granted by Wing Hang Bank Limited in Hong Kong.

As at 30 June 2014, the Group's bank borrowings were secured by corporate guarantees executed by the Company, Mr Leung Chee Kwong and Dr Chan Siu Hang Godwin, directors of the Company and an independent third party, 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, certain of 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 by repayment by the Group.

As at 30 June 2014, these bank borrowings and finance lease liabilities bear fixed interest rates ranging from 4.8% to 6.0% per annum and floating interest rates ranging from 3.3% to 7.2% per annum.

Other loan is unsecured and interest bearing at the prevailing market rate in the PRC of 7.4% per annum as at 30 June 2014, which will not be due until 2016.

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
	30.6.2014	30.6.2013
	RMB'000	RMB'000
Operating activities		
Profit before income tax	9,298	7,360
Adjustments for:		
Amortisation of land use rights	112	111
Property, plant and equipment written-off	211	81
Impairment loss on property, plant and equipment	2,100	-
Bad debts written-off	-	566
Impairment of trade receivables	248	-
Write-back for impairment of trade receivables	(17)	-
Provision for inventories	114	-
Fair value gains on investment properties	(45)	(17)
(Gain)/loss on financial liabilities at fair value through profit or loss	(108)	131
Depreciation of property, plant and equipment	17,291	22,249
Interest expenses	14,507	15,681
Interest income	(29)	(205)
Gain on disposals of property, plant and equipment	(1)	(6)
Operating profit before working capital changes	<u>43,681</u>	<u>45,951</u>
Decrease/(increase) in inventories	12,495	(5,165)
(Increase)/decrease in trade receivables	(18,657)	1,912
Increase in prepayments, deposits and other receivables	(2,851)	(4,406)
Increase in trade and bills payables	9,808	1,396
Increase/(decrease) in accrued expenses, deposits received and other payables	492	(28)
Change in derivative financial instruments	(23)	-
Cash generated from operations	<u>44,945</u>	<u>39,660</u>
Interest received	29	205
Income taxes paid	(4,340)	(1,541)
Net cash generated from operating activities	<u>40,634</u>	<u>38,324</u>
Investing activities		
Decrease/(increase) in restricted bank deposits	5,650	(3,126)
Purchases of property, plant and equipment	(20,966)	(16,387)
Proceeds from disposals of property, plant and equipment	17	65
Net cash used in investing activities	<u>(15,299)</u>	<u>(19,448)</u>
Financing activities		
Repayments of capital element of finance lease liabilities	(113)	(126)
Interest element of finance lease payments	(16)	(17)
Repayments of other loan	(12,500)	(12,000)
Interest on bank borrowings and other loan	(13,648)	(14,728)
Net (repayments of)/proceeds from bank borrowings	(5,022)	15,214
Net cash used in financing activities	<u>(31,299)</u>	<u>(11,657)</u>
Net (decrease)/increase in cash and cash equivalents	(5,964)	7,219
Cash and cash equivalents at beginning of year	30,960	23,932
Effect of foreign exchange rate changes, net	(19)	(191)
Cash and cash equivalents at end of year	<u>24,977</u>	<u>30,960</u>
Analysis of balances of cash and cash equivalents		
Cash and bank balances	<u>24,977</u>	<u>30,960</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	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1.7.2012	133,557	33,961	7,864	(16,498)	(10,931)	147,953
Profit for the year	-	-	-	-	3,717	3,717
Other comprehensive income						
- Exchange loss on translation of financial statements of foreign operations	-	-	-	(1,958)	-	(1,958)
Total comprehensive income for the year	-	-	-	(1,958)	3,717	1,759
At 30.6.2013 and 1.7.2013	133,557	33,961	7,864	(18,456)	(7,214)	149,712
Profit for the year	-	-	-	-	6,165	6,165
Other comprehensive income						
- Exchange loss on translation of financial statements of foreign operations	-	-	-	(1,079)	-	(1,079)
Total comprehensive income for the year	-	-	-	(1,079)	6,165	5,086
Transfer to other reserves	-	-	1,153	-	(1,153)	-
At 30.6.2014	133,557	33,961	9,017	(19,535)	(2,202)	154,798

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

	Share capital	Share premium	Exchange reserve	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1.7.2012	133,557	33,961	(38,400)	(8,512)	120,606
Loss for the year	-	-	-	(3,393)	(3,393)
Other comprehensive income					
- Exchange loss on translation of the Company's financial statements to RMB	-	-	(2,696)	-	(2,696)
Total comprehensive income for the year	-	-	(2,696)	(3,393)	(6,089)
At 30.6.2013 and 1.7.2013	133,557	33,961	(41,096)	(11,905)	114,517
Loss for the year	-	-	-	(3,227)	(3,227)
Other comprehensive income					
- Exchange loss on translation of the Company's financial statements to RMB	-	-	(404)	-	(404)
Total comprehensive income for the year	-	-	(404)	(3,227)	(3,631)
At 30.6.2014	133,557	33,961	(41,500)	(15,132)	110,886

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.

Not applicable.

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	
	As at 30.6.2014	As at 30.6.2013
Total number of issued shares	253,000,000	253,000,000

(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 2013 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 but gave rise to additional disclosures in the financial statements.

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>Group</u> Year ended 30.6.2014 <u>RMB cents</u>	<u>Group</u> Year ended 30.6.2013 <u>RMB cents</u>
Basic earnings per ordinary share	<u>2.44</u>	<u>1.47</u>

Basic earnings per ordinary share for year ended 30 June 2014 are calculated based on the profit attributable to the owners of the Company of approximately RMB6,165,000 (2013: RMB3,717,000) divided by 253,000,000 (2012: 253,000,000) ordinary shares in issue during the year.

Diluted earnings per share for the years ended 30 June 2014 and 2013 are the same as the basic earnings per share, as the Group has no dilutive potential shares during both years.

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	As at	As at	As at
	30.6.2014	30.6.2013	30.6.2014	30.6.2013
	RMB cents	RMB cents	RMB cents	RMB cents
Net assets value per ordinary share	<u>61.18</u>	<u>59.17</u>	<u>43.83</u>	<u>45.26</u>

Net assets value per ordinary share is calculated based on the issued ordinary shares of 253,000,000 ordinary shares as at 30 June 2014 and 30 June 2013.

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

FY2014 vs FY2013

Group Revenue

Group revenue increased by 17.6% from RMB594.6 million to RMB699.1 million, driven primarily by higher sales of industrial specialty tapes ("IS tapes") and biaxially oriented polypropylene films ("BOPP films").

Sales of IS tapes improved by 26.2% from RMB215.1 million to RMB271.5 million, driven by higher sales volume in domestic and overseas markets. In FY2014, IS tapes accounted for around 38.8% of Group revenue compared to 36.2% in FY2013.

Sales of BOPP films increased by 18.8% from RMB249.8 million to RMB296.8 million, lifted by robust sales in the domestic market. This was attributed to an improved product offering which now includes more sophisticated and higher-grade BOPP films. Sales in overseas markets however were weaker in FY2014. This was due partly to a temporary slowdown in export activities when the BOPP film production line was undergoing re-calibration in July 2013, as well as the Group's strategy to focus on higher value products in the domestic market. In FY2014, sales of BOPP films accounted for 42.5% of Group revenue, similar to FY2013.

Sales of general purpose adhesive tapes ("General tapes") remained steady at RMB130.8 million compared to RMB129.6 million last year. General tapes accounted for 18.7% of Group revenue, a decrease from 21.8% in FY2013.

Total sales in the domestic market increased by 33.0% from RMB405.1 million to RMB538.6 million, driven largely by higher sales of IS tapes and BOPP films. Total sales to overseas markets declined by 15.3% from RMB189.5 million to RMB160.5 million, due mainly to lower exports of BOPP films.

Group Gross Profit and Gross Profit Margin

The Group's gross profit increased by only 1.3% from RMB64.2 million to RMB65.0 million despite higher revenue as a result of higher raw material and labour costs, higher overheads and pressure on selling prices. Gross profit margin decreased from 10.8% to 9.3%. The net effect was partially mitigated by improved production efficiency of the BOPP films business.

Other Income

Other income decreased by 16.0% from RMB2.0 million to RMB1.7 million, due mainly to a reduction in interest income and lower sales of raw materials. These were offset partially by a net foreign exchange gain.

Selling and Distribution Costs, Administrative and Other Operating Expenses

Selling and distribution costs decreased by 3.7% from RMB16.7 million to RMB16.1 million in tandem with lower export fee paid for export sales. Administrative expenses also decreased by 7.7% from RMB25.5 million to RMB23.6 million due to a reduction of bank arrangement fees and an absence of foreign exchange loss. Other operating expenses increased from RMB0.9 million to RMB3.2 million, due mainly to impairment loss of property, plant and equipment.

Finance Costs

Finance costs decreased by 7.5% from RMB15.7 million to RMB14.5 million in line with lower borrowings.

Group Net Profit

Profit before income tax improved by 26.3% from RMB7.4 million to RMB9.3 million. After accounting for income tax, Group net profit increased substantially by 65.9% from RMB3.7 million to RMB6.2 million in FY2014.

(b) Review of Financial Position as at 30 June 2014**Group Financial Position**

Non-current assets increased from RMB110.4 million to RMB111.7 million, due mainly to an increase in property, plant and equipment. Purchases of equipment parts amounting to RMB21.0 million for the upgrading of the BOPP films production line were partially offset by depreciation expenses of RMB17.3 million in FY2014.

Inventories decreased from RMB77.4 million to RMB64.8 million mainly due to a lower level of raw materials. Trade receivables increased from RMB178.3 million to RMB196.5 million in line with higher sales. Prepayments, deposits and other receivables increased slightly from RMB21.7 million to RMB23.7 million due mainly to higher deposits paid to suppliers.

Cash and bank balances declined from RMB31.0 million to RMB25.0 million, due mainly to net cash generated from operating activities and offset by repayments of other loan and bank borrowings, as well as purchase of equipment for the BOPP films production line.

Restricted bank deposits pledged decreased from RMB7.5 million to RMB1.9 million, as a repayment of bank borrowings.

Total borrowings decreased from RMB231.2 million to RMB213.4 million, due mainly to repayments of other loan and bank borrowings.

Trade and bills payables increased from RMB27.1 million to RMB36.9 million in tandem with higher cost of sales. Accrued expenses, deposits received and other payables increased marginally from RMB15.6 million to RMB16.9 million, due mainly to the increase in accrued expenses for daily operation.

Income tax payable decreased from RMB2.6 million to RMB1.4 million, following the payment of income tax expenses of both PRC and Hong Kong subsidiaries during FY2014.

Group Cash Flows

Net cash generated from operating activities in FY2014 amounted to RMB40.6 million. This was derived primarily from operating profit before working capital changes of RMB43.6 million, changes in working capital of RMB1.3 million and offset by payment of income taxes of RMB4.3 million.

Net cash used in investing activities was around RMB15.3 million. This arose mainly from purchases of property, plant and equipment of around RMB21.0 million, which was offset partially by a decrease in restricted bank deposits.

Net cash used in financing activities was RMB31.3 million, largely due to repayments of other loan and bank borrowings, as well as interest payment.

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.

The Group expects business conditions to remain challenging. The macroeconomic conditions remain uncertain in view of the slow recovery pace of the global economy, as well as the moderated growth in China's economy.

The Group continues to face challenges including intense competition, raw material price and currency fluctuations as well as higher labour costs.

With a constant focus on its strategy to grow the IS tape business to achieve long-term sustainability and growth, the Group is continually seeking new customers and enhancing its product offering. The Group saw improved sales of its new optical clear adhesive tapes in FY2014 following successful customer trials and evaluation in the previous years. Optical clear tapes are more sophisticated adhesives used in touch screen devices. To cater for future business opportunities, the Group has installed a new production line for this product.

In addition to growing the IS tapes business, the Group also aims to generate better yield from its BOPP films business by improving production efficiency and product mix. Following the upgrading of its BOPP films production line, the Group is now able to produce higher-grade BOPP films at faster speeds with lower product defect rates; thereby increasing its capacity and cost efficiency. These sophisticated BOPP films, which have higher transparency, greater flexibility and strength, are used for specialty applications including food packing, floral wrapping and paper laminations.

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 2014.

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 IPTs in FY2014.

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

14. **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.**

	2014					
	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	40,599	203,734	294,294	160,514	-	699,141
Other income	136	261	454	-	-	851
Inter-segment sales	47,214	3,383	2,385	-	(52,982)	-
Reportable segment revenue	87,949	207,378	297,133	160,514	(52,982)	699,992
Reportable segment results	(5,539)	28,631	(3,397)	6,254	-	25,949

	2013					
	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	39,082	154,961	211,060	189,477	-	594,580
Other income	170	260	523	-	-	953
Inter-segment sales	47,895	23,818	37,265	-	(108,978)	-
Reportable segment revenue	87,147	179,039	248,848	189,477	(108,978)	595,533
Reportable segment results	(3,932)	39,565	(17,853)	7,535	-	25,315

	Revenue from external customers	
	2014 RMB'000	2013 RMB'000
The PRC (domicile)	538,627	405,103
Hong Kong	135,804	161,667
Other countries	24,710	27,810
	699,141	594,580

15. 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.

16. A breakdown of sales.

	Group		
	Year ended 30.6.2014 RMB'000	Year ended 30.6.2013 RMB'000	+ / (-) %
Revenue reported for the 1st half year	358,616	331,385	8.2%
Operating profit after tax for 1st half year	3,265	3,992	(18.2%)
Revenue reported for the 2nd half year	340,525	263,195	29.4%
Operating profit/(loss) after tax for 2nd half year	2,900	(275)	N/M

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

	Year ended 30.6.2014 RMB'000	Year ended 30.6.2013 RMB'000
Ordinary	NIL	NIL
Total	NIL	NIL

18. 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	33	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

**Yvonne Choo
Company Secretary**

28 August 2014