



STEED ORIENTAL (HOLDINGS) COMPANY LIMITED

駿東(控股)有限公司

*(incorporated in the Cayman Islands with limited liability)*

*Stock Code: 8277*



**First Quarterly Report 2015**

## CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.*

*This report, for which the directors (the "Directors") of Steed Oriental (Holdings) Company Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the issuer. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.*

The board of directors of the Company (the "Board") is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three months ended 30 June 2015, together with comparative unaudited figures for the corresponding periods in 2014 as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 30 June 2015

		(Unaudited) Three months ended 30 June	
	NOTES	2015 HK\$'000	2014 HK\$'000
Revenue	4	65,425	86,501
Cost of goods sold		(55,938)	(74,579)
Gross profit		9,487	11,922
Other income		2	78
Other (losses) gains		(493)	402
Selling and distribution expenses		(1,791)	(2,321)
Administrative expenses		(5,697)	(5,088)
Listing expenses		–	(1,200)
Finance costs		(246)	(319)
Profit before taxation		1,262	3,474
Taxation	5	(729)	(980)
Profit for the period attributable to owners of the Company		533	2,494
Other comprehensive income (expense)			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translating foreign operations		5	60
Fair value loss on available-for-sale investments		(269)	(68)
Reclassification adjustment relating to available-for-sale investments disposed of during the period		(106)	–
Other comprehensive expense income for the period		(370)	(8)
Total comprehensive income for the period attributable to owners of the Company		163	2,486
Earnings per share – basic (HK cents)	7	0.27	2.09

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY***For the three months ended 30 June 2015*

	Attributable to owners of the Company						Total HK\$'000
	Capital HK\$'000	Share premium HK\$'000	Other reserve HK\$'000 (Note)	Investment revaluation reserve HK\$'000	Translation reserve HK\$'000	Accumulated (losses) profits HK\$'000	
At 1 April 2015 (audited)	<b>2,000</b>	<b>51,628</b>	<b>41,355</b>	<b>106</b>	<b>(557)</b>	<b>(3,290)</b>	<b>91,242</b>
Profit for the period	-	-	-	-	-	533	533
Exchange differences on translation	-	-	-	-	5	-	5
Fair value loss on available-for-sale investments	-	-	-	(269)	-	-	(269)
Reclassification adjustment relating to available-for-sale investments disposed of during the period	-	-	-	(106)	-	-	(106)
Other comprehensive (expense) income for the period	-	-	-	(375)	5	-	(370)
Total comprehensive (expense) income for the period	-	-	-	(375)	5	533	163
At 30 June 2015 (unaudited)	<b>2,000</b>	<b>51,628</b>	<b>41,355</b>	<b>(269)</b>	<b>(552)</b>	<b>(2,757)</b>	<b>91,405</b>
At 1 April 2014 (audited)	790	-	7,223	(104)	(645)	(5,409)	1,855
Profit for the period	-	-	-	-	-	2,494	2,494
Exchange differences on translation	-	-	-	-	60	-	60
Fair value loss on available-for-sale investments	-	-	-	(68)	-	-	(68)
Other comprehensive (expense) income for the period	-	-	-	(68)	60	-	(8)
Total comprehensive (expense) income for the period	-	-	-	(68)	60	2,494	2,486
At 30 June 2014 (unaudited)	790	-	7,223	(172)	(585)	(2,915)	4,341

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the three months ended 30 June 2015*

### 1. GENERAL

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 7 August 2013 under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its shares have been listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 23 February 2015.

The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its principal place of business is located at 11th Floor, Prosperity Industrial Building, 89 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong. The Company acts as an investment holding company and its subsidiaries are principally engaged in sourcing, manufacturing and sale of plywood products.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK\$") while the functional currency of the Company is United States dollars ("US\$"). The reason for selecting Hong Kong dollars as its presentation currency is because the directors of the Company considered it is more beneficial for the users of the unaudited condensed consolidated financial statements as the Company's shares are listed on the Stock Exchange.

### 2. BASIS OF PRESENTATION

The operation of the Group has been carried out by CD Enterprises and its subsidiaries prior to the group reorganisation (the "Group Reorganisation") set out below. CD Enterprises was wholly owned by Mr. Huang Dong Sheng ("Mr. Huang"), Ms. Wong Sut Keng (sister of Mr. Huang) and Ms. Wong Hang Kuen (another sister of Mr. Huang) (collectively referred to as the "Huang's Family") before the acquisition of the Green Global Group in March 2013. Upon completion of the acquisition of the Green Global Group, CD Enterprises was owned as to 70% by the investment holding companies owned by the Huang's Family and 30% by the 9 individual shareholders of Duke Glory, who were the then beneficial shareholders of Green Global (the "Green Global Shareholders").

To effect the Group Reorganisation, on 9 February 2015, each of the investment holding companies owned by the Huang's Family and the Green Global Shareholders transferred their respective shareholdings in CD Enterprises, which in aggregate amounting to HK\$780,000, to the Company in consideration of the allotment and issuance of the Company's shares. Upon completion of the transfer, the Company became the holding company of CD Enterprises on 9 February 2015.

The Group resulting from the Group Reorganisation, which involves interspersing the Company between CD Enterprises and the then shareholders of CD Enterprises, is regarded as a continuing entity. Accordingly, the unaudited condensed consolidated statement of profit or loss and other comprehensive income for the three months ended 30 June 2014 have been prepared to include the results of the companies now comprising the Group as if the group structure upon the completion of the Group Reorganisation had been in existence for that period.

### **3. BASIS OF PREPARATION**

The unaudited condensed consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the unaudited condensed consolidated financial statements include applicable disclosures required by the GEM Listing Rules.

The accounting policies adopted in preparing the unaudited condensed consolidated financial statements for the periods are consistent with those followed in the preparation of the annual report for the year ended 31 March 2015. The unaudited condensed consolidated financial statements have been reviewed by the audit committee of the Company.

The Group has adopted all of the new and revised standards, amendments and interpretations which are relevant to its operations and effective for the accounting periods beginning on or after 1 April 2015. The adoption of these new and revised standards, amendments and interpretation does not have significant impact on the accounting policies of the Group, and the amounts reported for the current period and prior periods.

The Group has not early adopted the new and revised standards that have been issued but are not yet effective. The Directors anticipate that the application of the new and revised standards will have no material impact on the results and financial position of the Group.

#### 4. TURNOVER

The following is an analysis of the Group's revenue from its major products:

	<b>(Unaudited)</b> <b>Three months ended</b> <b>30 June</b>	
	<b>2015</b> <b>HK\$'000</b>	2014 HK\$'000
General plywood	<b>49,228</b>	76,038
Packing plywood	<b>8,628</b>	7,224
Structural panel	<b>527</b>	571
Floor base	<b>5,825</b>	2,057
Others	<b>1,217</b>	611
	<b>65,425</b>	86,501

Information about the Group's revenue from external customers is presented based on the geographical location of delivery of goods as below:

	<b>(Unaudited)</b> <b>Three months ended</b> <b>30 June</b>	
	<b>2015</b> <b>HK\$'000</b>	2014 HK\$'000
Japan	<b>57,309</b>	74,444
Thailand	<b>3,321</b>	6,772
South Korea	<b>415</b>	–
Hong Kong	<b>2,252</b>	2,826
Other countries	<b>2,128</b>	2,459
	<b>65,425</b>	86,501

## 5. TAXATION

	<b>(Unaudited)</b> <b>Three months ended</b> <b>30 June</b>	
	<b>2015</b> <b>HK\$'000</b>	2014 HK\$'000
Current tax		
Hong Kong Profits Tax	<b>130</b>	60
People's Republic of China (the "PRC") Enterprise Income Tax ("EIT")	<b>577</b>	798
	<b>707</b>	858
Deferred taxation		
Charge for the period	<b>22</b>	122
	<b>729</b>	980

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the periods.

Under the Law on EIT of the PRC, the statutory tax rate of the PRC subsidiaries is 25% during the periods.

## 6. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the three months ended 30 June 2015.

## 7. EARNINGS PER SHARE

The calculation of the basic earnings per share for the period is based on the consolidated profit attributable to owners of the Company of HK\$533,000 (2014: HK\$2,494,000) and the weighted average number of 200,000,000 (2014: 119,483,830) ordinary shares in issue during the period which is calculated on the assumption that the Group Reorganisation has been effective on 1 April 2014, and has been adjusted to reflect the capitalisation issue of 148,744,600 ordinary shares of HK\$0.01 each on 23 February 2015.

No diluted earnings per share is presented as there are no potential dilutive ordinary shares in issue during both periods.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Group is principally engaged in sourcing, manufacturing and sale of plywood products. The Group's major plywood products can be categorised into (i) general plywood used in interior applications of buildings and manufacture of wooden furniture for home and office; (ii) packing plywood used as packaging material; (iii) structural panel used for construction; (iv) floor base used for flooring; and (v) other plywood products.

As influenced by the depreciation of the Japanese Yen against US\$, during the three months ended 30 June 2015, our sales volume reduced by about 26% from approximately 24,600 cubic meters for the three months ended 30 June 2014 to approximately 18,300 cubic meters in current period. The average rate of the Japanese Yen against US\$ in current reporting period was 121.34, while the average rate was 102.15 in the corresponding period in 2014. Such over 18% depreciation reduced our competitiveness comparing to other competitors located in countries with their home currencies depreciated, such as Malaysia and Indonesia, in which only about 5% depreciation of the Japanese Yen against Malaysian Ringgit and Indonesian Rupiah during the comparable periods.

Instead of competing in the low to mid-end markets with those competitors with currency advantage as mentioned above, the Group keeps developing the high quality market and focusing on producing quality plywood with internationally recognised. The Group is also expanding the customer base in minimise the reliance on a single economy.

In order to strengthen our social responsibility, certain machineries are replacing by more environmental friendly machineries. The replacing is expected to complete in the late second quarter.

On 16 June 2015, Jiangmen Urban and Rural Planning Bureau issued a confirmation permitting the extension of the use of the leased properties of the Group at No. 29 Gao Sha Middle Road, Jiangmen City, Guangdong Province, the People's Republic of China (the "PRC") from 31 May 2016 to 31 May 2018 on the condition that Jiangmen Changda Wood Products Co., Ltd.\* (江門市昌達木業有限公司) complies with the relevant laws and regulations regarding environmental protection, fire prevention and safety supervision. The Group can continue to use the Leased Properties under the relevant lease agreements until 31 May 2018.

### FINANCIAL REVIEW

#### Revenue

During the three months ended 30 June 2015, the Group recorded a revenue of approximately HK\$65,425,000, representing an approximately 24% decrease comparing to the three months ended 30 June 2014. The decrease was mainly attributable to the decline in the sales volume arising from the depreciation on the Japanese Yen against US\$, the principal currency of our major customers, in current period. Our sales volume reduced by 26% from approximately 24,600 cubic meters for the three months ended 30 June 2014 to approximately 18,300 cubic meters in current period.

### Gross profit

The gross profit margin slightly increased from approximately 13.8% for the three months ended 30 June 2014 to approximately 14.5% for the three months ended 30 June 2015. Although the gross profit margin cannot be ascertained with reasonable accuracy due to an absence of a fair cost allocation basis which was a result of (i) unallocatable raw materials costs as different products are produced by sharing pool of raw materials such as logs and veneers; (ii) unallocatable and common direct labour costs; and (iii) unallocatable and common utilities costs as different products can be produced with the same production processes and treatment, since the average selling price of the floor base is higher than other product segments, the increase in the portion of the floor base sales from approximately 2% of the total sales for the three months ended 30 June 2014 to approximately 9% of the total sales for the three months ended 30 June 2015 contributed a slight effect on the increase in the gross profit margin.

### Profit for the period

The profit for the period is decreased by approximately HK\$1,961,000 from approximately HK\$2,494,000 for the three months ended 30 June 2014 to approximately HK\$533,000 for the current period. This decrease is mainly resulted by the decline in the gross profit by approximately HK\$2,435,000 in current period. Although no listing expenses incurred in current period, the regular expenses since the listing status are incurred to push up the administrative expenses in current period and offset part of the effect of the absence of the listing expense.

### LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The working capital needs and other capital requirements have been met through a combination of shareholders' equity, cash generated from operations and bank borrowings. Going forward, we intend to finance the future operations and capital expenditures with cash flow from the Group's operating activities, banking facilities made available to us and the net proceeds from the placing of a total of 50,000,000 new shares in the Company on 23 February 2015 at the placing price of HK\$1.20 each.

The primary uses of cash have been and are expected to continue to be operating costs and capital expenditure. The current assets primarily comprise cash and bank balances, trade and other receivables and inventories. The current liabilities primarily comprise trade and other payables and bank borrowings.

As at 30 June 2015, the Group maintained cash and cash equivalents amounting to approximately HK\$80.9 million (at 31 March 2015: approximately HK\$65.2 million). The net current assets increased from approximately HK\$61.2 million as at 31 March 2015 to approximately HK\$62.0 million as at 30 June 2015, which was mainly due to the increase of cash and bank balances in relation to the new bank borrowing amounting to HK\$25.0 million, and the net cash inflow from operating activities, including the decrease in trade and other receivables and inventories of approximately HK\$3.8 million and HK\$4.0 million respectively, and an increase in trade and other payables of approximately HK\$4.7 million, and offset by the repayment of the trade loans of approximately HK\$22.8 million.

As at 30 June 2015, the Group's total bank borrowings, all being denominated in Hong Kong dollars, amounted to approximately HK\$35.9 million (at 31 March 2015: approximately HK\$33.7 million).

As at 30 June 2015, the capital structure of the Group consisted of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves. The Group's gearing ratio (calculated by dividing total debt by total equity as at the end of financial year) as at 31 March 2015 was approximately 39.5% (at 31 March 2015: approximately 37.6%).

#### **CHARGES ON THE GROUP'S ASSETS**

As at 30 June 2015, the Group's trade receivables of approximately HK\$790,000 (at 30 June 2014: approximately HK\$4,806,000) were pledged to secure export bills discounted with full recourse.

#### **CONTINGENT LIABILITIES**

As at 30 June 2015, there were no significant contingent liabilities for the Group.

#### **CAPITAL COMMITMENT**

As at 30 June 2015, there were no significant capital commitments for the Group.

#### **PROSPECT**

The proposed new production plant in Dong Mu Shan Industrial Park is expected to have a gross area of approximately 31,390 square meters and the new production base is expected to have an annual production capacity of approximately 99,456 cubic meters of plywood products. The Directors will monitor the schedule of construction in the new production plant. The Group has also located other potential leased properties or sought further extension of permission to use the existing leased land from the relevant authority, in case of the construction of the new production plant is delayed. The Group will commence its contingency plan prior to evacuating the existing leased properties if there is any delay in the construction of the new production plant.

Apart from expanding the customer base of the Group by looking for any potential market in other countries, the management is looking for any potential business in relation to the expanding our trading capacity, including any possible increase in the production capacity or increase in the source of trading. The Directors believe that the Group is in a more advantageous position to further develop and expand its market and products than the small-scale local enterprises.

## OTHER INFORMATION

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 30 June 2015, the interests and short positions of the each of the Directors and the chief executive in shares, underlying shares or debentures of the Company or any associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), which were notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interests or short positions which he or she was taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the required standards of dealings by directors as referred to Rules 5.46 to 5.67 of GEM Listing Rules, or to be notified to the Company and the Stock Exchange were as follows:

#### Long positions in ordinary shares of the Company

Name of Director	Number of ordinary share held, capacity and nature of interest			Percentage of the Company's issued share capital
	Directly beneficially owned	Through controlled corporation	Total	
Mr. Huang Dong Sheng <sup>1</sup>	–	114,154,853 <sup>4</sup>	114,154,853	57.08%
Ms. Wong Hang Kuen <sup>2</sup>	–	114,154,853 <sup>4</sup>	114,154,853	57.08%
Ms. Wong Sut Keng <sup>3</sup>	–	114,154,853 <sup>4</sup>	114,154,853	57.08%

Notes:

- (1) Mr. Huang Dong Sheng beneficially owns all the shares in MASTER GATE LIMITED ("Master Gate"), a company incorporated in the British Virgin Islands ("BVI"). Master Gate directly beneficially owned 45,661,941 shares in the Company.
- (2) Ms. Wong Hang Kuen beneficially owns all the shares in FOREVER ACES LIMITED ("Forever Aces"), a company incorporated in the BVI. Forever Aces directly beneficially owned 34,246,456 shares in the Company.
- (3) Ms. Wong Sut Keng beneficially owns all the shares in MAKING NEW LIMITED ("Making New"), a company incorporated in the BVI. Making New directly beneficially owned 34,246,456 shares in the Company.
- (4) Mr. Huang Dong Sheng, Ms. Wong Hang Kuen and Ms. Wong Sut Keng are siblings. Each of them is deemed to be interested in the ordinary shares of the Company held by Master Gate, Forever Aces and Making New respectively for the purpose of the SFO.

Save as disclosed above, as at 30 June 2015, none of the Directors or chief executive of the Company or their respective associates (within the meaning of GEM Listing Rules) had any interest or a short position in the shares or underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) that was required to be notified to the Company and the Stock Exchange pursuant to Division 7 and 8 of Part XV of the SFO (including interest or short positions which he or she was taken or deemed to have under such provisions of the SFO), or which were recorded in the register kept by the Company under Section 352 of the SFO, or was required to notify to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

### **SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES**

As at 30 June 2015, so far as is known to the Directors, the following persons (other than Directors or chief executive of the Company) had interests and short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

#### **Long positions in ordinary shares of the Company**

<b>Name of Shareholder</b>	<b>Capacity and nature of interest</b>	<b>Number of ordinary shares held</b>	<b>Percentage of the Company's issued share capital</b>
Master Gate	Beneficial Owner	45,661,941	22.83%
Forever Aces	Beneficial Owner	34,246,456	17.12%
Making New	Beneficial Owner	34,246,456	17.12%

Save as disclosed above, as at 30 June 2015, none of the substantial or significant shareholders or other persons, other than the Directors and chief executive of the Company whose interests are set out in the section "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION" above, had any interest or a short position in the shares or underlying shares of the Company would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

### COMPETING INTERESTS

The Directors are not aware of any business and interest of the Directors nor the controlling shareholder of the Company nor any of their respective close associates (as defined in the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interests which any such person has or may have with the Group during the reporting period.

### PURCHASE, SALES OF REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the three months ended 30 June 2015, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

### INTEREST OF THE COMPLIANCE ADVISER

As notified by the compliance adviser of the Company, New Spring Capital Limited, as at 30 June 2015, save for the compliance adviser agreement dated 9 February 2015 entered into between the Company and New Spring Capital Limited, neither New Spring Capital Limited, its directors, employees and associates had any interest in relation to the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

### COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the three months ended 30 June 2015, the Company has complied with all applicable code provisions of the Corporate Governance Code (the "Code") contained in Appendix 15 to the GEM Listing Rules.

### SHARE OPTION SCHEME

The Company conditionally approved and adopted a share option scheme on 9 February 2015 ("the Scheme"). The terms of the Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules.

Since the adoption of the Scheme and up to the date of this report, no share options have been granted pursuant to the Scheme.

There is no option outstanding, granted, cancelled and lapsed during the three months ended 30 June 2015.

### AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial control, internal control and risk management systems of the Group, and provide advice and comments on the Group's financial reporting matters to the Board.

As at the date of this report, the audit committee comprises three independent non-executive Directors, namely Mr. Yuen Kim Hung Michael (Chairman), Mr. Chan Kai Nang and Mr. Ho Chee Mun. The audit committee has reviewed the Group's unaudited condensed consolidated financial statements for the three months ended 30 June 2015.

By Order of the Board  
**Steed Oriental (Holdings) Company Limited**  
**Mr. Huang Dong Sheng**  
*Chairman and Executive Director*

Hong Kong, 13 August 2015

*As at the date of this report, the Board of Directors of the Company comprises Mr. Huang Dong Sheng, Ms. Wong Sut Keng, Ms. Wong Hang Kuen and Mr. Yeung Hung Yuen as executive Directors; Mr. Chan Kai Nang, Mr. Ho Chee Mun and Mr. Yuen Kim Hung as independent non-executive Directors.*