



**無縫綠色中國(集團)有限公司**  
**Seamless Green China (Holdings) Ltd.**

*(Incorporated in the Cayman Islands and re-domiciled and continued in Bermuda with limited liability)*  
**Stock Code: 8150**



THIRD QUARTERLY REPORT  
**2015**

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE” AND THE “GEM”, RESPECTIVELY)**

**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.**

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*This report, for which the directors of Seamless Green China (Holdings) Limited (the “Company” and the “Directors”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. 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.*

## HIGHLIGHTS

1. The Group has recorded a total turnover of approximately HK\$8,927,000 for the nine months ended 30 September 2015.
2. The Group has recorded a net loss attributable to owners of the Company for the nine months ended 30 September 2015 of approximately HK\$17,518,000, representing a basic loss per share of HK cents 2.03.
3. The Board does not declare the payment of an interim dividend for the nine months ended 30 September 2015.

## QUARTERLY RESULTS (UNAUDITED)

The board of Directors (the “Board”) is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the nine months ended 30 September 2015 (the “Period”) together with the relevant comparative unaudited figures as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three months and nine months ended 30 September 2015

	Notes	Three months ended 30th September		Nine months ended 30th September	
		2015 HK\$'000	2014 HK\$'000	2015 HK\$'000	2014 HK\$'000
Turnover	2	3,718	731	8,927	17,503
Cost of sales		(3,527)	(1,441)	(8,710)	(15,021)
Gross (loss)/profit		191	(710)	217	2,482
Other income and gains		88	5	4,519	19
Gain on disposal of subsidiaries		-	-	-	94
Impairment loss on interest in an associate		-	-	-	(3,020)
Operating expenses:					
Selling and distribution costs		-	(99)	(29)	(971)
Administrative and other operating expenses		(11,654)	(1,908)	(17,685)	(30,608)
Loss from operations		(11,375)	(2,712)	(12,978)	(32,004)
Share of (loss)/profit of associates		-	(221)	-	810
Finance costs		(1,128)	(1,387)	(4,540)	(4,135)
Loss before taxation		(12,503)	(4,320)	(17,518)	(35,329)
Income tax expense	3	-	(395)	-	(395)
Loss for the period		(12,503)	(4,715)	(17,518)	(35,724)
Other comprehensive income after tax					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of the consolidated financial statements of foreign subsidiaries		(2,070)	-	(2,112)	(142)
Change in fair value of available-for-sale financial assets		(70)	(13,200)	(499)	(13,200)
Other comprehensive income for the period, net of tax		(2,140)	(13,200)	(2,611)	(13,342)
Total comprehensive income for the period		(14,643)	(17,915)	(20,129)	(49,066)
Loss attributable to owners of the Company		(12,503)	(4,715)	(17,518)	(35,724)
Total comprehensive income attributable to owners of the Company		(14,643)	(17,915)	(20,129)	(49,066)
Loss per share attributable to owners of the Company					
Basic	5	(1.17) cents	(0.70) cents	(2.03) cents	(6.41) cents
Diluted	5	N/A	N/A	N/A	N/A

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the nine months ended 30 September 2015

	Share capital	Share premium	Revaluation reserve	Investment revaluation reserve	Warrant reserve	Exchange reserve	Share-based payment reserve	Accumulated losses	Non- controlling interests	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>At 1st January 2015</b>	<b>35,384</b>	<b>393,519</b>	-	-	130	164	22,299	(464,825)	(1,478)	(14,807)
<b>Total comprehensive expenses for the period</b>	-	-	-	(499)	-	(2,112)	-	(17,518)	-	(20,129)
<b>Recognition of equity settled share-based payments</b>	-	-	-	-	-	-	8,492	-	-	8,492
<b>Issue of shares - shares</b>	<b>28,306</b>	<b>69,195</b>	-	-	-	-	-	-	-	<b>97,501</b>
<b>At 30th September 2015</b>	<b>63,690</b>	<b>462,714</b>	-	(499)	130	(1,948)	30,791	(482,343)	(1,478)	<b>71,057</b>
At 1st January 2014	24,256	248,705	535	-	240	4,319	34,532	(284,137)	(1,478)	26,972
Total comprehensive expenses for the period	-	-	-	(13,200)	-	(142)	-	(35,724)	-	(49,066)
Recognition of equity settled share-based payments	-	-	-	-	-	-	7,031	-	-	7,031
Issue of shares - warrants exercised	550	5,390	-	-	(110)	-	-	-	-	5,830
- shares	10,578	150,978	-	-	-	-	-	-	-	161,556
At 30th September 2014	35,384	405,073	535	(13,200)	130	4,177	41,563	(319,861)	(1,478)	152,323

## NOTES TO FINANCIAL STATEMENTS

### 1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared in compliance with the disclosure requirements of the GEM Listing Rules.

The accounting policies and method of computation used in the preparation of these results are consistent with those used in the annual financial statements for the year ended 31 December 2014. The Group has adopted new or revised standards, amendments to standards and interpretations of Hong Kong Financial Reporting Standards which are effective for accounting periods commencing on or after 1 January 2015. The adoption of such new or revised standards, amendments to standards and interpretations does not have material impact on the consolidated financial statements and does not result in substantial changes to the Group's accounting policies.

The condensed consolidated financial statements have not been audited by the Company's independent auditor, but have been reviewed by the Company's audit committee.

The unaudited quarterly financial statements should be read in conjunction with the annual report for the year ended 31 December 2014.

### 2. TURNOVER

Turnover comprised the net invoiced value (excluding value-added tax) of merchandise sold net of allowances for returns and discounts.

### 3. INCOME TAX EXPENSE

No provision for Hong Kong profits tax was provided for as the Group had no estimated assessable profits arising in or derived from Hong Kong during the nine months ended 30 September 2015 and 30 September 2014.

No provision for the overseas profits tax has been made during the periods as the overseas subsidiaries had no assessable profits for the nine months ended 30 September 2015 and 30 September 2014.

There are no material unrecognised deferred tax assets and liabilities for the Period.

### 4. INTERIM DIVIDEND

The Board does not declare the payment of an interim dividend for the Period (2014: Nil).

## 5. LOSS PER SHARE

The calculation of basic loss per share for the nine months ended 30 September 2015 is based on the Group's loss attributable to owners of the Company for the Period of approximately HK\$17,518,000 (2014: approximately HK\$35,724,000) and on the weighted average number of 862,165,828 shares (2014: 557,274,442).

Diluted loss per share for the nine months ended 30 September 2015 and 2014 has not been disclosed as the potential shares arising from the exercise of the Company's share options and warrants would decrease the loss per share of the Group for the Period and is regarded as anti-dilutive.

## 6. COMMITMENTS

### Commitments under operating leases

At 30 September 2015, the Group had future aggregate minimum lease payments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>Unaudited</b>	
	<b>As at 30 September</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Within one year	<b>1,214</b>	72
In the second to fifth year inclusive	<b>835</b>	–
	<b>2,049</b>	72

## 7. CONTINGENT LIABILITIES

At 30 September 2015, the Group had no material contingent liabilities (30 September 2014: Nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

Total turnover of the Group for the Period amounted to approximately HK\$8,927,000, representing a 49% decrease from that of approximately HK\$17,503,000 generated in the corresponding period in 2014. Loss attributable to owners of the Company for the Period was approximately HK\$17,518,000 while that of the corresponding period in 2014 was approximately HK\$35,724,000.

During the Period, the Company was an investment holding company. The Group's principal activities were manufacture and sale of synthetic sapphire watch crystals and optoelectronic products, trading of liquor, property investment, and trading of LED lighting products.

#### **Sapphire watch crystals division**

No turnover was recorded of the sapphire watch crystals for the Period (2014: approximately HK\$14,900,000).

#### **Optoelectronics products division**

The Group recorded a turnover of approximately HK\$3,244,000 for the Period (2014: approximately HK\$2,603,000) representing an increase of approximately HK\$641,000.

#### **LED lighting products division**

The Group recorded a turnover of approximately HK\$5,683,000 for the Period (2014: Nil).

#### **Trading of liquor products division**

The Group did not generate any revenue during the Period (2014: Nil).

## **CAPITAL STRUCTURE**

### **Open offer**

On 8 April 2015, the Company announced that it proposed to raise not less than approximately HK\$71,829,000 and not more than approximately HK\$75,812,000 (before expenses) by way of the open offer involving the issue of not less than 353,835,348 offer shares and not more than 373,460,348 offer shares, respectively, at the subscription price of HK\$0.203 per offer share on the basis of one (1) offer share for every two (2) existing shares held on 28 April 2015 and payable in full on application. The open offer was completed in June 2015 and 353,835,348 offer shares were issued accordingly and net proceeds of approximately HK\$70.6 million will be used to strengthen the Group's financial position and to increase the capital base of the Company for future investment purposes.



## Placing of new shares

On 9 September 2015, a placing agreement (the “Placing Agreement”) was entered into between the Company and Convoy Investment Services Limited (the “Placing Agent”), pursuant to which the Company had appointed the Placing Agent to procure altogether not less than six placees for subscribing up to an aggregate of 212,300,000 new shares (the “Placing Shares”) at HK\$0.128 per Placing Share (the “Placing”). The Placing was subject to the conditions set out in the Placing Agreement. On 11 September 2015, a supplemental agreement to the Placing Agreement (the “Supplemental Agreement”) was entered into between the Company and the Placing Agent. 212,300,000 Placing Shares were allotted and issued by the Company on 29 September 2015 pursuant to the Placing Agreement and the Supplemental Agreement.

The net proceeds arising from the Placing amounted to approximately HK\$26.9 million which will be used as general working capital of the Group and for the repayment of debts, borrowings or promissory notes.

## LITIGATION

- i) On 6 March 2012, a writ of summons was issued by JMM Business Network Investments (China) Limited (“JMM”) against (a) Mr. Chan Ka Ming, Mr. Nee, Henry Pei Ching, Mr. Ho Chun Kit Gregory, Mr. Tam Chak Chi, Mr. Ng Kai Shing, Mr. Jal Nadirshaw Karbhari and Ms. Chan Sze Man, all former Directors of the Company; and (b) the Company. In this action, JMM sought to challenge the validity of a notice of special general meeting of the Company dated 9 February 2012, but did not specify any monetary claim against the Company. The Directors are not aware of any material progress of this action since as early as the third quarter of 2012. As such, the Directors are of the view that the action is unlikely to result in any significant financial impact on the Company.
- ii) On 14 March 2012, a writ of summons was issued by Good Capital Resources Limited (“Good Capital”) against (a) Mr. Chan Ka Ming, Mr. Nee, Henry Pei Ching, Mr. Ho Chun Kit Gregory, Mr. Tam Chak Chi, Mr. Ng Kai Shing, Mr. Jal Nadirshaw Karbhari and Ms. Chan Sze Man, all former Directors of the Company; and (b) the Company. In this action, Good Capital sought to challenge the validity of the issuance of certain warrants and the grant of certain share options of the Company in March 2012, but did not specify any monetary claim against the Company. The Directors are not aware of any material progress of this action since as early as the third quarter of 2012. As such, the Directors are of the view that the action is unlikely any financial impact on the financial statements of the Company.

- iii) Excel Energy Holdings Limited (“Excel Energy”), a wholly owned subsidiary of the Company, and the Company were named as the 1st defendant and 2nd defendant (collectively the “Defendants”), respectively, in a writ of summons dated 28 February 2014 issued by Long China Holdings Limited (the “Plaintiff”). The Plaintiff alleged that the Defendants failed and/or refused to honour their respective obligations under a sale and purchase agreement dated 3 December 2013 entered into between the Plaintiff (as purchaser), Excel Energy (as vendor) and the Company (as guarantor) for the disposal of the entire equity interests in Fullway (China) Limited at a consideration of HK\$13,800,000, for which the Plaintiff paid HK\$7,900,000 as deposit to the Defendants. The Plaintiff now claims for the return of the said deposit. On 6 March 2015, the Plaintiff and the Defendants executed a deed of settlement (the “Deed”) for a full and final settlement of all claims arising out of or in connection with the sale and purchase agreement and the proceedings. Pursuant to the Deed, the Defendants have returned the initial deposits in the sum of HK\$7,900,000 to the Plaintiff and the Plaintiff has returned certain legal documents to the Company. The Company’s legal representatives have arranged the signing of a consent summons by the Plaintiff to dismiss the claim and the High Court of Hong Kong granted an order for dismissed on 9 April 2015.
- iv) On 27 March 2014, Good Return (BVI) Limited (“Good Return”), a wholly-owned subsidiary of the Company, issued writs of summons against Wickham Ventures Limited (“Wickham”) and Ms. Lee Hei Wun (“Ms. Lee”) for claiming, inter alia, the shortfall of a profit guarantee in a sum of HK\$3,000,000 as a result of the inability of Arnda Semiconductor Limited (“Arnda”) to make any profit during the year ended 31 December 2012. Reference is made to the Company’s announcements dated 6 April 2011, 19 March 2012 and 24 March 2014. Pursuant to the sale and purchase agreement under which Good Return acquired Arnda from Wickham in 2011, Wickham and Ms. Lee guaranteed to pay Good Return the difference between the actual amount of net profit after tax of Arnda and the guaranteed profit in a sum of HK\$3,000,000 for the year ended 31 December 2012. According to the audited accounts of Arnda for the year ended 31 December 2012, Arnda made a loss of HK\$1,252,101 and thus the shortfall of the profit guarantee is HK\$3,000,000, which Wickham and Ms. Lee have failed to pay to Good Return despite the demand of Good Return. On 25 June 2014, the High Court of the Hong Kong Special Administrative Region, Court of First Instance issued a final judgement against Ms. Lee for the payment to Good Return the sum of HK\$3,000,000 together with interests, and a fixed cost of HK\$10,500. The Company has instructed its legal advisers to take legal action against Ms. Lee for the payment of the above sum of HK\$3,010,500 and the relevant interest of HK\$71,014 but no payment was received. Accordingly, the Group has filed an application of a bankruptcy petition against Ms. Lee.

- v) On 11 February 2015, the Company and Silver Bonus Limited, a wholly-owned subsidiary of the Company and the purchaser to the acquisition of equity interests in Neo Partner Investment Ltd. (the "Target Company"), issued a writ of summons in the Court of First Instance of the High Court of the Hong Kong Special Administrative Region against (i) Shinning Team Investment Limited (the second vendor) as the 1st defendant; (ii) Mr. Lau Hin Chung (the first vendor) as the 2nd defendant; (iii) the Target Company as the 3rd defendant; (iv) Harvest View (China) Limited as the 4th defendant; (v) Mr. Chen Zai as the 5th defendant; (vi) two former executive Directors of the Company, namely Mr. Ho Chun Kit, Gregory and Mr. Lee Tat Wing as the 6th and 7th defendants, claiming for, among other things, the following relief:
- (1) damages for breach of the sale and purchase agreement and its supplemental agreement (collectively, the "Agreements") against the 1st and 2nd defendants;
  - (2) damages and/or rescission of the Agreements for misrepresentation against the 1st to 5th defendants;
  - (3) damages for negligence and breach of fiduciary duties as Directors against the 6th and 7th defendants;
  - (4) a declaration that the promissory notes issued under the Agreements are null and void and unenforceable;
  - (5) costs; and
  - (6) further and/or other relief.

Save as disclosed above, neither the Company nor any of its subsidiaries was involved in any litigation at the end of the reporting period.

## **FINANCIAL REVIEW**

Total turnover of the Group for the Period amounted to approximately HK\$8,927,000, representing a 49% decrease from that of approximately HK\$17,503,000 generated in the corresponding period in 2014. Decrease in turnover was mainly due to the decrease in market demand of the Group's sapphire watch crystal products. Loss attributable to owners of the Company for the Period was approximately HK\$17,518,000 while that of the corresponding period in 2014 was approximately HK\$35,724,000.

Selling and distribution costs, administrative and other operating expenses (collectively "Operating Expenses") for the Period were approximately HK\$17,714,000, representing a decrease of approximately HK\$31,579,000 or 44% from the same period of last year. Decrease in Operating Expenses was mainly due to the significant decrease in the staff costs during the Period.

## Liquidity and financial resource

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the directors may adjust the dividend payment to shareholders, return capital to shareholders and issue of new shares.

In managing the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group relies on funds generated from operations and fund raising activities.

The Group's shareholders funds were increased to approximately HK\$71,057,000 as at 30 September 2015 (at 31 December 2014: capital deficiencies of approximately HK\$14,807,000) and the improvement in shareholders funds was mainly resulted from the open offer and placing of new shares completed during the Period. The Group's current assets amounted to approximately HK\$111,169,000 as at 30 September 2015 (at 31 December 2014: approximately HK\$91,086,000), of which approximately HK\$89,555,000 (at 31 December 2014: approximately HK\$73,389,000) was cash and bank balances.

As at 30 September 2015, the Group had cash and bank balances of approximately HK\$89,555,000 (31 December 2014: approximately HK\$73,389,000), of which approximately 56% and 44% were denominated in Hong Kong dollars and Renminbi respectively. The Group's net cash inflow for the Period was mainly resulted from the operating cash outflow and the repayment of matured promissory notes, offset by the net cash proceeds from the open offer and placing of shares during the Period.

As at 30 September 2015, the Group had interest bearing borrowings, which comprised by the promissory notes, amounting to approximately HK\$66,165,000 (31 December 2014: approximately HK\$124,336,000). The promissory notes carried effective interest ranged from 8.366% per annum to 10.954% per annum were repayable within one year and are denominated in Hong Kong dollars.

The Group's gearing ratios as at 30 September 2015 was -23.3% (31 December 2014: 123.9%). Gearing ratio is calculated by dividing the net debt with the aggregate of total capital and net debt. Net debt includes trade payables, other payable and accruals, short-term loans and promissory notes less cash and cash equivalents. Total capital represents equity attributable to equity holders of the Company. The significant decrease in the Group's gearing ratio was mainly resulted from the open offer during the Period and repayment of matured promissory notes during the Period.

After considering the Group's current period financial result and existing financial position, the Board will actively seek new additional funding, including but not limited to, issue of new shares and new bank loans to strengthen the Group's financial position and to finance the new projects.

## **Employees and remuneration policies**

As at 30 September 2015, the Group had 46 employees (31 December 2014: 46). Employees were remunerated according to their performances and work experiences. In addition to basic salaries and retirement scheme, staff benefits included free accommodation at the Group's staff quarters in the People's Republic of China and performance bonus. Total staff costs including directors' remuneration and equity-settled share-based payments expenses for the Period were approximately HK\$1,476,000 (2014: approximately HK\$19,963,000).

## **Significant investments, material acquisitions and disposal of subsidiaries and affiliated companies**

The Group had no significant investments, material acquisitions and disposal of subsidiaries and affiliated companies during the Period.

## **Exposure to fluctuations in exchange rates or any related hedges**

During the Period, the Group had no significant exposure to fluctuations in foreign exchange rates or any related hedges.

## **Pledge of assets and contingent liabilities**

As at 30 September 2015, the Group had no pledge of assets and contingent liabilities.

## **PROSPECTS**

The Company will conduct a review on the business operations and financial position of the Company for the purpose of formulating business plans and strategies for its future business development which would enable the Group to diversify its business and broaden its income sources. In addition, the Company will divest in the business areas which did not perform well in past years and/or do not have good business prospects with a view to allocating the resources of the Company to and concentrating on business areas which have better business prospects and exploring other business and investment opportunities.

With the lead of the management team, the Company is actively exploring business opportunities in other sectors to diversify risks and broaden the sources of income of the Company. The Company has adequate resources to continue with its business operations, and will continue to focus on its corporate objective to develop current businesses in order to strengthen its competitiveness, integrate its capital resources and contribute a maximum wealth to our equity holders.

The Company is also actively exploring for investment opportunities through potential acquisitions and joint ventures. The Group will take possible opportunities in the financial markets to raise funds to facilitate future merger and acquisition activities and/or increase the working capital of the Group. The Company will pursue selective and prudential acquisitions to complement the core business so as to strengthen adopted business performance and enhance financial liquidity.

The China's 12 Five Plan for National Economic and Social Development of the People's Republic of China (the "PRC") listed out the future development initiative in which energy saving and environmental protection had been stated as one of the key objective for sustainable growth. At the same time, General Office of the State Council of China published the Energy Development Strategies and Action Plan 2014-2020 in November 2014, confirming the strategic duties of fine-tuning energy structure, pushing for innovative energy technologies as well as promoting energy saving electricity appliance and green lighting. Following this China's favour policy, LED commercial products will be widely adopted in government projects and it will be a great business opportunity for the Group. To cope with such opportunity, the Group plans to increase production capacity in an existing facility at Guangzhou by means of investments in advanced manufacturing technologies, upgrading existing production equipment, installing additional production lines, recruiting more technicians and establishing an in-house research and development team in order to offer a wider range of products developed based on market demand.

In 2015, the Group will focus on the business of LED lighting products as an initiative to improve the Company's financial performance and liquidity. The Company will continue to provide a comprehensive range of quality products to and strengthen the relationship with the existing customers. Through recent marketing team efforts and leveraging certain advanced manufacturing technologies, the Group has established its customer base in Europe and will allocate further resources to expand the market in the PRC in order to take advantage of the expected market growth

## **DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES**

As at 30 September 2015, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) which would have to be notified to the Company and the Stock Exchange or to be entered in the register referred to in the SFO are as follows:–

### **Interests in ordinary shares of the Company (the "Shares")**

<b>Name of Director/ chief executive</b>	<b>Capacity/Nature of interests</b>	<b>No. of Shares Held</b>	<b>Underlying Shares</b>	<b>Long/Short Position</b>	<b>Approximate percentage of the Company's issued Shares</b> <i>(Note)</i>
Wong Kin Hong	Beneficial owner	25,500,000	–	Long Position	2.0%

*Note:* The percentage represents the number of Shares interested divided by the number of the Company's issued Shares as at 30 September 2015.

As at 30 September 2015, save as disclosed above, none of the Directors and the chief executive of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which would have to be: (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and/or short positions in which they were taken or deemed to have under such provisions of the SFO); or (b) recorded in the register required to be kept pursuant to Section 352 of the SFO; or (c) notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

## DIRECTORS' RIGHT TO ACQUIRE SHARES

At no time during the Period were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company or of any other body corporate granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company, its holding company, or any of its subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors or their respective spouse or minor children to acquire such rights in the Company or any other body corporate.

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

As at 30 September 2015, so far as the Directors are aware, the persons (other than a Director or the chief executive of the Company) who had an interest or short position in the Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances of general meetings of the Company or substantial shareholders as recorded in the register required to be kept by the Company under section 336 of the SFO, are as follows:

Name of shareholder	Capacity/Nature of interests	Number of Underlying Shares Held	Long/Short Position	Approximate percentage of the Company's issued Shares (Note)
Elisabeta Ling	Beneficial owner	118,500,000	– Long Position	9.30%

*Note:* The percentage represents the number of Shares interested divided by the number of the Company's issued Shares as at 30 September 2015.

So far as is known to any Director, there was no person (other than a Director or chief executive of the Company) who, as at 30 September 2015, had an interest or short position in the Shares or underlying Shares, which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or was directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company or any other substantial shareholders whose interest or short position were recorded in the register required to be kept by the Company under section 336 of the SFO.



## **PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

### **Open offer**

On 5 June 2015, 353,835,348 offer Shares were allotted and issued by the Company pursuant to an open offer at the subscription price of HK\$0.203 per offer Share on the basis of one (1) offer Share for every two (2) existing shares held on 28 April 2015 (the “Open Offer”).

The net proceeds from the Open Offer (after deducting the costs and expenses in relation to the Open Offer and the underwriting commission fees) were approximately HK\$70.6 million, which will be used to strengthen the Group’s financial position and to increase the capital base of the Company for future investment purposes.

### **Placing of new shares**

On 29 September 2015, 212,300,000 placing Shares were allotted and issued by the Company pursuant to a placing at the subscription price of HK\$0.128 per placing Shares (the “Placing”).

The net proceeds arising from the Placing amounted to approximately HK\$26.9 million which will be used as general working capital of the Group and for the repayment of debts, borrowings or promissory notes.

Save as aforesaid, the Company did not redeem any of its Shares listed and traded on GEM nor did the Company or any of its subsidiaries purchase or sell any of such Shares during the Period.

## **CHANGE IN ADDRESS**

The head office and principal place of business of the Company has been changed to 6/F, Pico Tower, 66 Gloucester Road, Wanchai, Hong Kong with effect from 14 July 2015.

## **DIRECTORS’ SECURITIES TRANSACTION**

The Company has adopted a code of conduct regarding securities transactions by the Directors (the “Securities Code”) on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

Following a specific enquiry made by the Company with the Directors, all of them have confirmed that they had complied with the required standard of dealings and the Securities Code throughout the Period.

## **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

The Company had complied with all the code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 15 to the GEM Listing Rules throughout the Period, except for code provision A.2.1 of the CG Code, which stipulates that the role of the chairman and the chief executive should be separate and should not be performed by the same individual. Mr. Wong Kin Hong has held both positions since his appointment as chairman of the Board in 2014. The Board believes that vesting the roles of both chairman and chief executive officer in the same person would allow the Company to be more effective and efficient in developing long term business strategies and execution of business plans.



## COMPETING INTERESTS

During the Period, none of the Directors and controlling shareholders of the Company or their respective close associates (as defined in the GEM Listing Rules) had an interest in a business that competed or might compete with the business of the Group.

## INTEREST OF COMPLIANCE ADVISER

As notified by the Company's compliance adviser, Messis Capital Limited (the "Compliance Adviser"), as at 30 September 2015, except for the compliance adviser agreement entered into between the Company and the Compliance Adviser dated 29 July 2014, the Compliance Adviser nor its directors, employees or close associates had any interests in relation to the Company, which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

## REVIEW BY AUDIT COMMITTEE

As required by Rule 5.28 of the GEM Listing Rules, the Company has established an audit committee of the Board (the "Audit Committee") with written terms of reference which deal clearly with its authority and duties. The principal duties of the Audit Committee are the review and supervision of the Company's financial reporting process and internal control systems. As at the date of this report, the Audit Committee comprises four independent non-executive Directors (the "INEDs"), namely Mr. Yan Guoniu (chairman of the Audit Committee), Mr. Tang Rong Gang, Mr. Ou Wei An and Mr. Ng Yu Ho, Steve.

The Company's unaudited consolidated financial statements for the Period and the 2015 third quarterly report have been reviewed by the Audit Committee. The Audit Committee considered that the relevant financial statements had been prepared in compliance with the applicable accounting principles and requirements of the GEM Listing Rules.

By order of the Board  
**Seamless Green China (Holdings) Limited**  
**Wong Kin Hong**  
*Executive Director and Chairman*

Hong Kong, 12 November 2015

As at the date of this report, the Board comprises:

### *Executive Directors*

- (1) Mr. Wong Kin Hong (*Chairman*);
- (2) Mr. Huang Yonghua;
- (3) Mr. Wong Tat Wa;
- (4) Ms. Leung Po Yee; and
- (5) Mr. Thomas Ng Cheng Kiong;

### *INEDs*

- (6) Mr. Yan Guoniu;
- (7) Mr. Tang Rong Gang;
- (8) Mr. Ou Wei An; and
- (9) Mr. Ng Yu Ho, Steve.