

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

Koradior Holdings Limited
珂萊蒂爾控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3709)

INTERIM RESULTS ANNOUNCEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2014

SUMMARY

- Our revenue increased from RMB298.68 million for the first half of 2013 to RMB445.92 million for the first half of 2014, representing an increase of 49.30% or RMB147.24 million.
- Net profit of the Company attributable to shareholders amounted to RMB50.23 million for the first half of 2014 compared to RMB34.10 million for the first half of 2013, representing an increase of 47.28% or RMB16.13 million. Net profit margin was 11.42% and 11.26% for the first half of 2013 and 2014 respectively.
- Basic earnings per share for the six months ended 30 June 2014 was approximately RMB13.30 cents (for the corresponding period in 2013: approximately RMB9.87 cents).

The Board has declared a special dividend of HK6 cents in cash per share of the Company for the six months ended 30 June 2014 (for the corresponding period in 2013: nil).

The board of directors (the “Board”) of Koradior Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (together the “Group”) for the six months ended 30 June 2014, together with the comparative figures for the corresponding period in 2013. These unaudited interim financial statements have been reviewed by the audit committee of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the six months ended 30 June 2014

		Six months ended 30 June	
		2014	2013
	<i>Note</i>	RMB'000	RMB'000
		(Unaudited)	(Unaudited)
Turnover	4	445,924	298,676
Cost of sales		<u>(121,161)</u>	<u>(89,110)</u>
Gross profit		324,763	209,566
Other revenue		2,011	948
Selling and distribution expenses		(217,935)	(148,889)
Administrative and other operating expenses		<u>(35,787)</u>	<u>(15,132)</u>
Profit from operations		73,052	46,493
Finance costs		<u>(2,118)</u>	<u>(806)</u>
Profit before taxation	5	70,934	45,687
Income tax	6	<u>(20,706)</u>	<u>(11,583)</u>
Profit for the period		<u>50,228</u>	<u>34,104</u>
Other comprehensive income for the period, net of tax			
Item that may be reclassified subsequently to profit and loss:			
Exchange differences on translation of financial statements of entities outside mainland China		<u>206</u>	<u>(69)</u>
Total comprehensive income for the period		<u>50,434</u>	<u>34,035</u>
Earnings per share (RMB cents)			
Basic and diluted	8	<u>13.30</u>	<u>9.87</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 30 June 2014

		At 30 June 2014	At 31 December 2013
	<i>Note</i>	<i>RMB'000</i> (Unaudited)	<i>RMB'000</i> (Audited)
Non-current assets			
Property, plant and equipment		35,362	32,548
Other non-current assets		11,610	10,855
Deferred tax assets		536	536
		47,508	43,939
Total non-current assets			
Current assets			
Inventories		148,812	130,109
Trade and other receivables	9	131,775	116,779
Cash and cash equivalents		473,893	77,105
		754,480	323,993
Total current assets			
Current liabilities			
Trade and other payables	10	102,430	133,290
Bank loans		75,000	55,000
Current tax payable		19,253	21,639
		196,683	209,929
Total current liabilities			
		557,797	114,064
Net current assets			
		605,305	158,003
Total assets less current liabilities			
NET ASSETS			
		605,305	158,003
CAPITAL AND RESERVE			
Capital		3,982	618
Reserves		601,323	157,385
		605,305	158,003
TOTAL EQUITY			
		605,305	158,003

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The interim financial statements of the Group have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 27 August 2014.

The preparation of an interim financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued the following amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and one new Interpretation that are first effective for the current accounting period of the Group and the Company:

- Amendments to HKFRS 10, HKFRS 12 and HKAS 27, *Investment entities*
- Amendments to HKAS 32, *Offsetting financial assets and financial liabilities*
- Amendments to HKAS 36, *Recoverable amount disclosures for non-financial assets*
- Amendments to HKAS 39, *Novation of derivatives and continuation of hedge Accounting*
- HK(IFRIC) 21, *Levies*

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27, Investment entities

The amendments provide consolidation relief to those parents which qualify to be an investment entity as defined in the amended HKFRS 10. Investment entities are required to measure their subsidiaries at fair value through profit or loss.

Amendments to HKAS 32, Offsetting financial assets and financial liabilities

The amendments to HKAS 32 clarify the offsetting criteria in HKAS 32.

Amendments to HKAS 36, Recoverable amount disclosures for non-financial assets

The amendments to HKAS 36 modify the disclosure requirements for impaired non-financial assets. Among them, the amendments expand the disclosures required for an impaired asset or cash generating units whose recoverable amount is based on fair value less costs of disposal.

Amendments to HKAS 39, Novation of derivatives and continuation of hedge accounting

The amendments to HKAS 39 provide relief from discontinuing hedge accounting when novation of a derivative designated as a hedging instrument meets certain criteria.

HK(IFRIC) 21, Levies

The Interpretation provides guidance on when a liability to pay a levy imposed by a government should be recognised.

3. SEGMENT REPORTING

Operating segments, and the amounts of each segment item reported in the financial statement, are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and similar in respect of the nature of products and services, and the nature of the regulatory environment. Operating segments which are not individually materials may be aggregated if they share a majority of these criteria.

The Group operates in a single business, i.e. retailing and wholesaling of ladies' wear in the People's Republic of China ("PRC"). Accordingly, no segmental analysis is presented.

4. TURNOVER

	Six months ended 30 June	
	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Self-operated retail stores	406,531	278,470
Wholesales to distributors	17,946	8,286
E-commerce platform	19,509	8,576
Others	1,938	3,344
	<hr/>	<hr/>
Total	445,924	298,676
	<hr/> <hr/>	<hr/> <hr/>

5. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging:

	Six months ended 30 June	
	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
(a) Finance costs		
Interest on bank loan	<u>2,118</u>	<u>808</u>
(b) Staff costs		
Contributions to defined contribution retirement plans	2,764	1,813
Salaries, wages and other benefits	<u>62,885</u>	<u>43,737</u>
	<u>65,649</u>	<u>45,550</u>
(c) Other items		
Depreciation	9,892	8,196
Operating lease payments		
– minimum lease payments	15,075	6,831
– contingent rentals	110,553	77,460
Cost of inventories sold	<u>120,601</u>	<u>89,220</u>

6. INCOME TAX

	Six months ended 30 June	
	2014	2013
	<i>RMB'000</i>	<i>RMB'000</i>
	(Unaudited)	(Unaudited)
Current tax		
PRC Corporate Income Tax	20,706	11,556
Deferred Tax		
Origination of temporary differences	<u>–</u>	<u>27</u>
	<u>20,706</u>	<u>11,583</u>

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operate.

The Company and its subsidiary incorporated in the British Virgin Islands and Cayman Islands are exempted from taxation.

No provision for Hong Kong profits tax has been made as the Group had no assessable profits derived from or earned in Hong Kong during the periods ended 30 June 2014 and 2013.

In accordance with the relevant PRC income tax rules and regulations, the Group's subsidiaries incorporated/registered in the PRC are subject to Corporate Income Tax at a statutory rate of 25% on their respective taxable income for the periods ended 30 June 2014 and 2013.

7. DIVIDEND

The Board has resolved to declare a special dividend of HK\$0.06 per share for the six months ended 30 June 2014 (2013: Nil).

8. EARNINGS PER SHARE

The calculation of basic earnings per share is based on profit attributable to the shareholders of the Company and the weighted average number of shares for the respective periods and the weighted average number of 345,441,705 and 377,777,778 ordinary shares for the six months ended 30 June 2013 and 30 June 2014, respectively, which has been adjusted retrospectively for the share split on 25 February 2014.

	For the six months ended 30 June 2014 RMB'000 (Unaudited)	For the six months ended 30 June 2013 RMB'000 (Unaudited)
Profit for the period	<u>50,228</u>	<u>34,104</u>
	Number of shares	Number of shares
Weighted average number of shares	377,777,778	345,441,705
Basic earnings per share (<i>RMB cents</i>)	<u><u>13.30</u></u>	<u><u>9.87</u></u>

There were no dilutive potential ordinary shares during the periods ended 30 June 2014 and 2013, therefore, diluted earnings per share are the same as the basic earnings per share.

9. TRADE AND OTHER RECEIVABLES

Following the completion of the reconciliation of the sales in the past month with the department stores and the shopping malls, the Group then issues invoices, the dates of which generally fall within 30 days from the date of revenue recognition. Settlement in respect of these concession sales was made net of the lease rental payable to the department stores and the shopping malls and was generally expected within 60 days from the date of revenue recognition.

	At 30 June 2014 <i>RMB'000</i> (Unaudited)	At 31 December 2013 <i>RMB'000</i> (Audited)
Trade receivables	114,264	104,685
Deposits and prepayments and other receivables	<u>29,121</u>	<u>22,949</u>
	143,385	127,634
<i>Less: Non-current deposits and prepayments</i>	<u>11,610</u>	<u>10,855</u>
	<u>131,775</u>	<u>116,779</u>

The aging analysis of the trade receivables based on date of revenue recognition is as follows:

	At 30 June 2014 <i>RMB'000</i> (Unaudited)	At 31 December 2013 <i>RMB'000</i> (Audited)
Within 1 month	67,125	71,696
1 to 2 months	29,599	25,732
2 to 3 months	9,808	4,389
Over 3 months	<u>7,732</u>	<u>2,868</u>
	<u>114,264</u>	<u>104,685</u>

10. TRADE AND OTHER PAYABLES

	At 30 June 2014 <i>RMB'000</i> (Unaudited)	At 31 December 2013 <i>RMB'000</i> (Audited)
Trade payables		
– third parties	38,832	21,988
– a related party	16,777	16,644
	<hr/>	<hr/>
Trade payables	55,609	38,632
Receipts in advance	625	2,901
Amount due to a controlling shareholder	–	34,908
Amounts due to related parties	–	51
Loan from a third party	–	15,000
Staff costs payables	12,684	15,129
VAT and other tax payables	15,996	16,085
Other payables	17,516	10,584
	<hr/>	<hr/>
	102,430	133,290
	<hr/> <hr/>	<hr/> <hr/>

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand. As at 31 December 2013 and 30 June 2014, amounts due to related parties and amount due to a controlling shareholder were non-trade related, unsecured, interest-free and repayable on demand. All such non-traded related payable have been already settled.

The aging analysis of the trade payables based on the invoice date is as follows:

	At 30 June 2014 <i>RMB'000</i> (Unaudited)	At 31 December 2013 <i>RMB'000</i> (Audited)
Within 1 month	37,419	31,748
1 to 2 months	3,778	3,042
2 to 3 months	3,318	38
Over 3 months	11,094	3,804
	<hr/>	<hr/>
	55,609	38,632
	<hr/> <hr/>	<hr/> <hr/>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the past six months of 2014, the growth rate of China's gross domestic product continues to show signs of slowing down, and the retail environment is under considerable stress with sluggish growth in domestic demand. With China economy still in the process of structural adjustment, the high-end women's fashion industry in China faces many challenges ahead.

Since the commencement of our business, we have kept our emphasis on developing the strategy of self-operated retail stores by investing resources in expanding self-operated channels as well as building and strengthening self-operation teams. At the same time, we are committed to ensuring that our products and designs are well tuned to consumer needs by being highly sensitive and responsive to shifts and changes in the market. Our unwavering vision and consistent efforts have brought into fruition stellar company performance for the first half year of 2014. The Group has successfully logged a 49.30% increase in revenue as compared to the same period of last year, and a 47.28% increase in profit as compared to the same period in 2013. The main sources of income growth have been attributed to sales growth in existing self-operated stores and new stores openings.

The fast-growing and increasingly important e-commerce business has re-confirmed our belief that e-commerce channels are a critical supplement to offline stores. With an increased investment of resources in the e-commerce section, revenue from online retail channels saw a rise of 127.48% for the first six months in 2014 compared to the same period of last year.

Needless to say, brand recognition is essential to our business. By employing a diversified and balanced approach to brand promotion, the Koradior brand continues to enjoy increasing recognition. Apart from brand promotion events, airport advertising, media releases and customer interactions, we participated in Beijing International Fashion Week which were well-received by stars, models and audience alike. In addition, our quality of design has won popularity with consumers as well as industry recognition. Our brand Koradior was awarded "ZOJE The 10th China National Garment Association Award – Style Award" by China National Garment Association and "The 2nd Top 10 Creative Brands" by Shenzhen Creativeness Selection Committee.

Amidst sluggish growth in the overall retail market, we moved forward with an optimistic mindset and heightened spirits as a relatively young brand. Our flagship brand Koradior has shown vigorous growth while the newer brand, La Koradior, has successfully logged a rise of 243.43% in revenue for the first six month in 2014 compared to the same period of last year. The Company was successfully listed on the main board in the Stock Exchange in June 2014, marking another vital milestone in the Company's history. With a boost to financial resources at hand, we hold greater confidence in future growth.

FINANCIAL REVIEW

Turnover

The principal activities of the Group are design, promotion, marketing and sales of self-owned branded ladies' wear products in PRC. Turnover represents the sales value of goods sold less returns, discounts and value-added tax. Our revenue increased from RMB298.68 million for the first half of 2013 to RMB445.92 million for the first half of 2014, representing an increase of 49.30% or RMB147.24 million. Our retail stores increased from 254 as at 1 January 2014 to 291 as at 30 June 2014 (*Note 1*). Our self-operated retail stores revenue increased 45.99% from RMB278.47 million for the first half of 2013 to RMB406.53 million for the first half of 2014. Our revenue from distributors increased 116.58% from RMB8.29 million for the first half of 2013 to RMB17.95 million for the first half of 2014. Our revenue from e-commerce platforms increased 127.48% from RMB8.58 million for the first half of 2013 to RMB19.51 million for the first half of 2014.

Note 1:

Retail stores breakdown by geographical region:

The following table illustrates the number of retail stores of our brands in the PRC as at 1 January 2014 and 30 June 2014 respectively including both self-operated retail stores and retail stores operated by our distributors:

Region	Number of retail stores			As at 30 June 2014
	As at 1 January 2014	Opened during the period	Closed during the period	
Central PRC ¹	24	6	–	30
Eastern PRC ²	86	17	–	103
North Eastern PRC ³	17	4	(3)	18
North Western PRC ⁴	16	1	(1)	16
Northern PRC ⁵	39	4	(1)	42
South Western PRC ⁶	39	9	–	48
Southern PRC ⁷	33	2	(1)	34
Total	254	43	(6)	291

Notes:

- ¹ Central PRC includes Henan, Hubei and Hunan.
- ² Eastern PRC includes Shandong, Jiangsu, Zhejiang, Anhui, Shanghai and Fujian.
- ³ North Eastern PRC includes Jilin, Heilongjiang and Liaoning.
- ⁴ North Western PRC includes Shaanxi, Ningxia, Qinghai, Gansu and Xinjiang.
- ⁵ Northern PRC includes Tianjin, Beijing, Inner Mongolia, Hebei and Shanxi.
- ⁶ South Western PRC includes Guizhou, Chongqing, Yunnan, Tibet and Sichuan.
- ⁷ Southern PRC includes Guangxi, Hainan and Guangdong.

During the first half of 2014, we have opened 43 new stores (35 self-operated stores and 8 stores operated by distributors), and closed 6 self-operated stores. We will continue to open new stores in the second half of 2014 to meet our business strategy.

Cost of sales

Cost of goods sales increased from RMB89.11 million during the six months ended 30 June 2013 to RMB121.16 million during the same period in 2014, representing an increase of 35.97% or RMB32.05 million, mainly due to the increase in the cost of inventories sold as a result of the growth of our sales.

Gross profit and gross margin

Gross profit increased from RMB209.57 million for the six months ended 30 June 2013 to RMB324.76 million for the six months ended 30 June 2014, representing an increase of 54.97% or RMB115.19 million. Our overall gross profit margin slightly increased from 70.16% for the first half of 2013 to 72.83% for the first half of 2014, mainly due to (i) increase in the average price of products, and (ii) the shift of our product mix toward higher-margin products, such as dresses, short skirts and shirts.

Operating expenses

Operating expenses increased from RMB164.02 million for the six months ended 30 June 2013 to RMB253.72 million for the six months ended 30 June 2014, representing an increase of 54.69% or RMB89.70 million. Operating expenses include selling and distribution expenses, administrative expenses and other operating expenses, and details of them are listed below:

Selling and distribution expenses

Selling and distribution expenses increased by 46.37% to RMB217.93 million for the six months ended 30 June 2014 from RMB148.89 million for six months ended 30 June 2013, primarily due to (a) the increase in store concession fees as a result of the increase in our sales; (b) the increase in salaries and staff benefits for our sales and marketing staff due to the expansion of retail stores and improvement in remuneration; and (c) the increase in advertising and brand building and promotion expenses, which are in line with the expansion of our sales network as well as our business growth.

Administrative and other operating expenses

Administrative and other operating expenses increased by 136.51% to RMB35.79 million for the six months ended 30 June 2014 from RMB15.13 million for the six months ended 30 June 2013, primarily due to (a) the increase in salaries and benefits for our administrative staff as we expanded our business and increased the head-count of our administrative staff; (b) the increase in research and development expenses as a result of more SKUs¹ produced; and (c) the increase in legal and professional fee for the listing of the Company.

¹ *Stock keeping unit, with products that are exactly the same except for their different colours deemed as different stock-keeping units, and products that are exactly the same except for their different size deemed as one stock keeping unit.*

Finance costs

Finance cost increased by 162.89% to RMB2.12 million for the six months ended on 30 June 2014 from RMB0.81 million for the six months ended on 30 June 2013, mainly due to the increase in our average bank borrowings.

Income tax expenses

Income tax expenses increased from RMB11.58 million for the first half of 2013 to RMB20.71 million for the first half of 2014, representing an increase of 78.76% or RMB9.13 million, mainly due to the increase in operating profit. Income tax rate of PRC subsidiaries as of 30 June 2013 and 2014 was 25%.

The net profit and profit margin

As the result of foregoing factors, the net profit of the Company attributable to shareholders was RMB50.23 million for the first half of 2014, compared to RMB34.10 million for the first half of 2013, representing an increase of 47.28% or RMB16.13 million. Excluding the one-off expenses for the initial public offering (“IPO”) of RMB13.86 million, net profit would be RMB64.09 million, representing an increase of 87.95% or RMB29.99 million as compared with the corresponding period in 2013. Net profit margin was 11.42% and 11.26% for the first half of 2013 and 2014 respectively. Net profit margin for the first six months of 2014 would be 14.37%, higher than the same period of 2013 if excluding the IPO expenses.

Capital structure

The Group required working capital to support its design and development, retail and other business operations. As at 30 June 2014, the Group had total current assets of RMB754.48 million and total current liabilities of RMB196.68 million with the current ratio of 3.84. The board (the “Board”) of directors of the Company believes that this healthy capital structure and the net cash inflow from operating activities are sufficient to support the operating activities of the Group.

As at 30 June 2014, the Group’s interest bearing loans are bank loans denominated in RMB, amounting to RMB75 million and will expire within in one year. All loans are interest-bearing at fixed interest rates, of which a bank loan of RMB25 million was secured by assets of the Group and a bank loan of RMB50 million was originally guaranteed by the controlling shareholder of the Company and his spouse. The Group is in the process of replacing such personal guarantees with corporate guarantee by the Company.

Financial position, liquidity and gearing ratio

The Group generally finances its operations with internally generated cash flow as well as banking facilities provided by its bankers.

As of 30 June 2014, the Group had cash and cash equivalents of RMB473.89 million (31 December 2013: RMB77.11 million), of which 9.89%, 0.18% and 89.93% were denominated in RMB, US dollars and Hong Kong dollars, respectively. The net cash inflow from operating activities stood at RMB43.43 million during the six months ended 30 June 2014, up by 29.03% from RMB33.66 million for the six months ended 30 June 2013.

On 30 June 2014, the Group's gearing ratio (*Note*) was 12.39% (31 December 2013: 34.81%).

Note: Gearing ratio is defined as the total interest-bearing loans of the Group divided by total equity.

Exposures to fluctuation in foreign exchange

The Group mainly operates in PRC with most of transaction settled by RMB. Hence, the Board considers that the risk exposure to foreign exchange rate fluctuation is not significant and no financial instrument of hedging was employed to hedge against the currency risks.

Human resources

To support the Group's development plan, the Group's number of employees has increased to 1,856 as at 30 June 2014 (30 June 2013: 1,436). The total staff costs for the six months ended 30 June 2014 (including basic wages and salaries, commissions, bonuses, retirement benefits scheme contributions and share options expense) amounted to RMB65.65 million (for the corresponding period in 2013: RMB45.55 million), representing 14.72% of our revenue (for the corresponding period in 2013: 15.25%).

The Group has a share option scheme in place for selected participants as incentive and reward for their contribution to the Group. A mandatory provident fund scheme and local retirement benefit schemes are also in effect. The Group encourages employees to seek training to strengthen their work skills and for personal development. The Group also provides workshops for staff at different levels to enhance their knowledge of work safety and to build team spirit. Staff are rewarded based on performance of the Group as well as on individual performance and contribution.

Contingent liabilities

As at 30 June 2014, the Group had no significant contingent liabilities.

Material acquisition and disposal

Save for the reorganization of the Company and its subsidiaries for the purposes of listing of the Company's shares on the main board of the Stock Exchange as disclosed in the prospectus of the Company dated 17 June 2014, there was no acquisition or disposal of subsidiaries or associated companies by the Group during the six months ended 30 June 2014.

Use of proceeds

With the successful listing of the Company's shares on the main board of the Stock Exchange on 27 June 2014, the net proceeds of HK\$506.58 million (before taking into account of the partial exercise of the over-allotment option in July 2014) have been raised and were kept at the bank account of the Group to be used in accordance with the plan of use of proceeds as stated in the prospectus of the Company dated 17 June 2014.

PROSPECTS

We expect China's economic situation continues to be uncertainly in the second half of 2014, but China's accelerated urbanization process, gradual increase in labour income and improvements in living standards in the long run will contribute to positive consumer sentiment, and lay a foundation for the development of China's consumer market.

Despite the rapidly changing operating environment, the Board believes China's market is of huge potential and there is still a strong demand. The Group will continue to use its powerful brand and adopt a pragmatic development strategy, optimize its the sales network, and enrich its product portfolio through innovation, so as to consolidate the Group's leading position in the ladies-wear retail market, promote long-term and steady growth of business and generate satisfactory returns to its shareholders.

DIVIDEND

The Board has resolved to declare a special dividend HK\$0.06 in cash per share of the Company for the six months ended 30 June 2014 to those shareholders of the Company whose names appear on the register of members of the Company on 12 September 2014. The special dividend will be paid on or around 22 September 2014.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of ascertaining the shareholders' entitlement to the special dividend, the register of members of the Company will be closed from Thursday, 11 September 2014 to Friday, 12 September 2014, during which period no transfers of shares will be effected. In order to qualify for the special dividend to be payable on Monday, 22 September 2014, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 10 September 2014.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining a high standard of corporate governance practices and the implementation of effective corporate governance commitments. The Company has met the relevant code provisions set out in the Corporate Governance Code based on the principles set out in appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange since 27 June 2014, being the date of listing of the Company, and up to the date hereof except for code provision A.2.1 of the Corporate Governance Code which requires that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. However, Mr. Jin Ming currently performs these two roles in our Company. The Board believes that vesting the roles of both chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within our Group and enables more effective and efficient overall strategic planning for our Group. The Board considers that the balance of power and authority for the present arrangement will not be impaired considering the background and experience of our Directors and the number of independent non-executive Directors on the Board and this structure will enable our Company to make and implement decisions promptly and effectively. The Board will continue to review and consider splitting the roles of chairman of our Board and chief executive officer of our Company at a time when it is appropriate and suitable by taking into account the circumstances of our Group as a whole.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities since 27 June 2014, being the date of listing of the Company and up to the date hereof.

AUDIT COMMITTEE

The Audit Committee of the Company, comprising all the three independent non-executive Directors, namely Mr. Wong Wai Kong (as Chairman), Mr. Hung Man Sing and Mr. Zhong Ming. The Audit Committee is primarily responsible for reviewing and supervising the financial reporting and the internal control of the Group. The Audit Committee has discussed with management the accounting policies adopted by the Group and reviewed the unaudited interim financial statements of the Group for the six months ended 30 June 2014.

By order of the Board
Koradior Holdings Limited
JIN MING
Chairman

Hong Kong, 27 August 2014

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

Executive Directors :

Mr. JIN Ming (*Chairman*)
Ms. HE Hongmei
Mr. DENG Shigang

Independent Non-Executive Directors :

Mr. WONG Wai Kong
Mr. HUNG Man Sing
Mr. ZHONG Ming