

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.



建福集團控股有限公司
KENFORD GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00464)

**ANNOUNCEMENT OF INTERIM RESULTS
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014**

RESULTS HIGHLIGHTS

	Six months ended 30 September	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Operating results		
Revenue	309,187	324,741
Gross profit	45,593	39,891
EBITDA	17,171	8,865
Net profit	6,670	1,666
Per share data		
	HK cents	HK cents
Basic and diluted earnings per share	1.520	0.380
Net assets per share	84.3	86.7
Financial position		
	HK\$'000	HK\$'000
Cash and structured deposits	109,675	115,146
Net Cash (Cash and bank deposits less interest bearing borrowings)	43,405	46,737
Total assets	549,575	601,672
Net assets	369,934	380,603
Financial ratio		
Gross profit margin	14.7%	12.3%
EBITDA to revenue	5.6%	2.7%
Net profit to revenue	2.2%	0.5%
Return on equity	1.8%	0.4%
Net cash to equity	11.7%	12.3%

INTERIM RESULTS

On behalf of the Board of Directors (the “Board”), I am pleased to present the unaudited interim results of Kenford Group Holdings Limited (the “Company”) and its subsidiaries (collectively the “Group”) for the six months ended 30 September 2014 (the “current period”) together with the comparative figures for the corresponding period last year (the “last corresponding period”).

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		For the six months ended 30 September	
		2014	2013
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000
Revenue	3	309,187	324,741
Cost of sales		<u>(263,594)</u>	<u>(284,850)</u>
Gross profit		45,593	39,891
Other income, gains and losses		4,926	5,350
Distribution costs		(5,269)	(6,450)
Administrative expenses		(36,642)	(37,887)
Finance income		272	70
Finance costs	6	<u>(861)</u>	<u>(880)</u>
Profit before taxation	6	8,019	94
Income tax (expenses)/credit	7	<u>(1,349)</u>	<u>1,572</u>
Profit for the period attributable to owners of the Company		6,670	1,666
Other comprehensive (expenses)/ income			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		<u>(416)</u>	<u>3,356</u>
Total comprehensive income for the period attributable to owners of the Company		<u>6,254</u>	<u>5,022</u>
Basic and diluted earnings per share (HK cents)	8	<u>1.520</u>	<u>0.380</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 September 2014 (Unaudited) HK\$'000	As at 31 March 2014 (Audited) HK\$'000
	Notes		
Non-current assets			
Property, plant and equipment	10	184,440	188,753
Prepaid lease payments		3,772	3,821
Deposits paid for acquisition of property, plant and equipment		4,962	4,321
Goodwill		<u>1,403</u>	<u>1,403</u>
		<u>194,577</u>	<u>198,298</u>
Current assets			
Inventories		94,048	108,470
Trade and bills receivables	11	135,378	117,691
Deposits, prepayments and other receivables		15,897	15,184
Structured deposits		8,196	10,090
Bank balances and cash		<u>101,479</u>	<u>93,667</u>
		<u>354,998</u>	<u>345,102</u>
Current liabilities			
Trade payables	12	77,443	81,653
Accruals and other payables		18,510	19,480
Bank borrowings		66,270	62,071
Tax liabilities		<u>5,753</u>	<u>4,850</u>
		<u>167,976</u>	<u>168,054</u>
Net current assets		<u>187,022</u>	<u>177,048</u>
Total assets less current liabilities		<u>381,599</u>	<u>375,346</u>
Non-current liabilities			
Deferred tax liabilities		<u>11,665</u>	<u>11,666</u>
Net assets		<u><u>369,934</u></u>	<u><u>363,680</u></u>
Capital and reserves			
Share capital	13	439	439
Share premium and reserves		<u>369,495</u>	<u>363,241</u>
Total equity		<u><u>369,934</u></u>	<u><u>363,680</u></u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 September 2014

1. GENERAL INFORMATION

Kenford Group Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 10 November 2004 as an exempted company with limited liability under the Companies Law of the Cayman Islands. Its shares have been listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 16 June 2005. The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. Its ultimate holding company is Beaute Inc., a company incorporated in the British Virgin Islands, which is jointly controlled by Mr. Lam Wai Ming, the Executive Director and the Chairman of the Company, and Mr. Tam Chi Sang, the Executive Director and Managing Director of the Company. The registered office and principal place of business of the Company is Room 1106-8, Riley House, 88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are design, manufacture and sale of electrical haircare products, electrical healthcare products and other small household electrical appliances.

These unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”), and all values are rounded to nearest thousand unless otherwise stated.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The condensed consolidated financial statements have been prepared on the historical cost basis except for land and buildings and structured deposits, which are measured at revalued amounts and fair value respectively.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 September 2014 are the same as those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2014.

In the current interim period, the Group has applied, for the first time, the following new interpretation and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

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) – INT 21	Levies

The application of the above new interpretation and amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

3. REVENUE

The Group is principally engaged in the design, manufacture and sale of electrical haircare products, electrical healthcare products and other small household electrical appliances. Revenue represents the net amounts received and receivable for goods sold in the normal course of business, net of discounts.

4. SEASONALITY OF OPERATIONS

The Group on average experiences higher sales in the second and third quarters of the financial year, compared to other quarters in the financial year, due to the increased retail demand for its products during the Christmas holiday and the Chinese New Year period. The Group anticipates this demand by increasing its production to build up inventories during the second quarter of the financial year. Those built-up inventories still held at the end of the interim reporting period are sold off in the third quarter of the financial year.

5. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker for the purposes of resources allocation and assessment of performance of a single reportable and operating segment, which is the design, manufacture and sale of electrical haircare products, electrical healthcare products and other small household electrical appliances.

The Group's revenue from external customers by geographical location of customers irrespective of the origin of the goods is as follows:

	Six months ended	
	30 September	
	2014	2013
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Europe	174,865	163,879
Asia	97,132	102,000
North and South America	28,725	45,851
Africa	4,629	7,946
Australia	3,836	5,065
	<hr/>	<hr/>
	309,187	324,741
	<hr/>	<hr/>

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	Six months ended 30 September	
	2014 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000
Cost of inventories recognised as expenses	263,860	285,874
Depreciation of property, plant and equipment	8,242	7,623
Amortisation of prepaid lease payments	49	49
Interests on:		
- bank borrowings wholly repayable within five years	28	94
- trust receipt loans	833	786
	861	880
Gain on disposal of property, plant and equipment	-	(257)
Reversal of allowance for inventories	(266)	(1,024)
Net foreign exchange gain	(394)	(107)
	<u> </u>	<u> </u>

7. INCOME TAX (EXPENSES)/CREDIT

	Six months ended 30 September	
	2014 (Unaudited) HK\$ '000	2013 (Unaudited) HK\$ '000
Current tax		
- Hong Kong Profits Tax	(920)	-
- The People's Republic of China (the "PRC") Enterprise Income Tax ("EIT")	(429)	(781)
	<u> </u>	<u> </u>
	(1,349)	(781)
Overprovision in prior years		
- EIT	-	2,353
Income tax (expenses)/credit	<u> </u>	<u> </u>
	(1,349)	1,572

Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 September 2013: 16.5%) of the estimated assessable profits for the period.

Under the Law of the PRC on EIT (the "EIT" Law) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (six months ended 30 September 2013: 25%).

8. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended	
	30 September	
	2014	2013
	(Unaudited)	(Unaudited)
	HK\$'000	HK\$'000
Profit for the purposes of calculating basic and diluted earnings per share (Profit for the period attributable to owners of the Company)	<u>6,670</u>	<u>1,666</u>
	Number of shares	
	'000	'000
Number of ordinary shares for the purpose of calculating basic and diluted earnings per share	<u>438,926</u>	<u>438,926</u>
Basic and diluted earnings per share (HK cents)	<u>1.520</u>	<u>0.380</u>

The computation of diluted earnings per share does not assume the exercise of the Company's share options because the exercise price of those options was higher than the average market price of shares for the six months ended 30 September 2014 and 2013.

9. DIVIDENDS

The directors have resolved not to declare the payment of an interim dividend for the six months ended 30 September 2014 (six months ended 30 September 2013: Nil).

During the interim period ended 30 September 2013, a final dividend of HK0.82 cent per share in respect of the year ended 31 March 2013 was declared and paid to the owners of the Company. The aggregate amount of the dividend declared and paid amounted to HK\$3,599,000.

10. PROPERTY, PLANT AND EQUIPMENT

During the current interim period, the Group acquired property, plant and equipment at a cost of approximately HK\$4,007,000 (six months ended 30 September 2013: HK\$4,963,000).

In the opinion of the directors of the Company, the aggregate carrying amount of the Group's leasehold land and buildings as at the end of the current interim period that is carried at revalued amounts does not differ significantly from their estimated fair value. Consequently, no revaluation surplus or deficit has been recognised in the current interim period.

11. TRADE AND BILLS RECEIVABLES

The credit periods granted by the Group ranged from 14 to 90 days. For those major customers, a credit term up to 120 days from the invoice date is allowed.

	30 September 2014 (Unaudited) HK\$'000	31 March 2014 (Audited) HK\$'000
Trade receivables	132,830	117,296
Bills receivables	<u>2,548</u>	<u>395</u>
	<u>135,378</u>	<u>117,691</u>

The aging analysis of trade and bills receivables, net of allowance for bad and doubtful debts, presented based on invoice date at the end of the reporting period, which approximates to the respective date of revenue recognition, is as follows:

	30 September 2014 (Unaudited) HK\$'000	31 March 2014 (Audited) HK\$'000
Within 60 days	101,866	58,277
61 - 120 days	31,360	56,713
121 - 365 days	1,797	1,701
Over 365 days	<u>355</u>	<u>1,000</u>
	<u>135,378</u>	<u>117,691</u>

12. TRADE PAYABLES

The credit periods on purchases of goods ranged from 30 to 120 days. The aging analysis of trade payables presented based on the invoice date at the end of the reporting period is as follows:

	30 September 2014 (Unaudited) HK\$'000	31 March 2014 (Audited) HK\$'000
Within 60 days	71,698	69,273
61 - 120 days	2,917	10,432
121 - 365 days	1,810	1,003
More than 365 days	<u>1,018</u>	<u>945</u>
	<u>77,443</u>	<u>81,653</u>

13. SHARE CAPITAL

	Number of share '000	Normal value HK\$'000
Ordinary shares of HK\$0.001 each		
Authorised:		
At 1 April 2013, 30 September 2013, 1 April 2014 and 30 September 2014	<u>1,000,000</u>	<u>1,000</u>
Issued and fully paid:		
At 1 April 2013, 30 September 2013, 1 April 2014 and 30 September 2014	<u>438,926</u>	<u>439</u>

14. SHARE-BASED PAYMENTS

The Company's share option scheme ("Share Option Scheme") was adopted pursuant to a resolution passed on 27 May 2005 for the primary purpose of providing incentives to directors and eligible employees, and will remain in force for a period of ten years.

At 30 September 2014, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 6,720,000 (31 March 2014: 6,720,000). The weighted average exercise price of options outstanding at the end of reporting period was HK\$0.55 (31 March 2014: HK\$0.55).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

The Group's turnover for the six months ended 30 September 2014 (the "current period") was HK\$309,187,000, a decrease of 4.8% from HK\$324,741,000 during the corresponding period last year (the "last corresponding period"). The decline was mainly contributed by the decrease in turnover from the American and Asian markets partly offset by the recovery of demand from the European market.

Gross profit for the current period amounted to HK\$45,593,000, an increase of 14.3% from HK\$39,891,000 in the last corresponding period. Gross profit over revenue ("gross profit margin") during the current period was 14.7% compared to 12.3% in the last corresponding period. The increase was mainly contributed by exerting stringent controls over manufacturing overheads as a result of implementing the "Lean Programme."

Earnings before interest, tax, depreciation and amortisation ("EBITDA") rose to HK\$17,171,000, an increase of 93.7% from HK\$8,865,000 in the last corresponding period. Affected by the decrease in operating expenses, EBITDA over revenue ("EBITDA Margin") was 5.6% compared to 2.7% during the last corresponding period.

Net profit for the current period increased to HK\$6,670,000, an increase of 300% from net profit of HK\$1,666,000 in the last corresponding period.

Basic earnings per share amounted to HK1.520 cents, representing an increase of 300% from earnings per share of HK0.380 cents in the last corresponding period.

The Board of Directors ("The Board") have resolved not to declare the payment of an interim dividend for the six months ended 30 September 2014 (six months ended 30 September 2013: Nil).

BUSINESS REVIEW

Market Review

The Group is principally engaged in the design, manufacture and sale of electrical haircare products, electrical healthcare products and other small electrical household appliances. The Group's manufacturing base is in Dongguan, the PRC, with its products mainly sold on Original Design Manufacturing (ODM), Original Equipment Manufacturing (OEM) and Original Brand Manufacturing (OBM) bases.

During the current period, we observed a trend of moderate growth in demand from the European market. Unfortunately, less-than-expected turnover due to the ongoing slowdown in Mainland China's economic growth and the decrease in promotion orders from the American market dampened the Group's overall sales performance. This shift has increased the turnover contribution from the European market to 56.6% during the current period from 50.5%, over the last corresponding period. At the same time, the turnover contribution from the Asian market during the current period remained unchanged at 31.4% as the slowdown in the Mainland China market was compensated by the rises in contributions from the Thailand and Korea markets. The Group believes that the European and Asian markets will still be the major geographic revenue contributors in the coming years.

During the current period, electrical haircare products still constituted the Group's predominant revenue stream accounting for approximately 99% of total turnover. Within this product category, hair dryers led the way followed by hair straighteners, airbrushes, curling tongs and spilt tongs. Other products such as footbaths, juicers, coffee makers and spare parts contributed the remaining 1%.

Most of the Group's customers are renowned global brands. Its five major customers accounted for approximately 82% of the Group's total turnover during the current period and the last corresponding period.

Operations Review

Mainland China remains the Group's major production centre. Similar to other manufacturers in Mainland China, the Group has faced a series of operating challenges, such as a slow recovery in export markets, the drop in growth in PRC domestic markets, the appreciating Renminbi, the difficulties in recruiting production line operators and increased operation costs and general expenses. The Group's gross profit margin was seriously hit by these factors, as it was very difficult to pass the higher expenses on to customers.

In order to sustain our industry competitiveness, the Group is allocating more resources to the research and development ("R&D") of new innovative and value-added applications for haircare products especially in the areas of hair nutrition, over-heating indicators, quiet performance and all-in-one multi-functionality. This direction aims to address the increasing demand of today's consumers' about grooming their hair in addition to styling. Consumers are looking for a hair dryer that can promise softer, shiner and healthier hair, a hair straightener that can leave the hair straight, shiny and smooth and curling tongs that can curve the hair just right for that perfect hairstyle.

The Group can meet their demand as most of our products provide a wide range of features including ionising, ceramic coating, self-heat regulating, convenient cool-shot button (to cool hair quickly and hold a hairstyle), diffusing and removable air filters (to prevent overheating and breakdown) and are lightweight for ease of use.

In view of the increasing manufacturing and labour costs in Mainland China, the Group continues to enhance its production efficiency through automation, streamlining manufacturing processes while tightening control over manufacturing overheads. The immediate priority of the Group is to monitor the progress of on-going initiatives to both improve operational efficiency and invest in people and processes to support its long-term development.

The Group will continue to adjust its product mix by phasing out low-margin products and is working hard to enhance its overall competitiveness against major competitors and its product profitability in the years to come.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2014, the Group had approximately HK\$109,675,000 in cash and bank deposits (31 March 2014: HK\$103,757,000). The Group's net current assets were approximately HK\$187,022,000 (31 March 2014: HK\$177,048,000). The current ratio was 2.1 (31 March 2014: 2.1). The net cash position after deducting all interest-bearing borrowings was HK\$43,405,000 (31 March 2014: HK\$41,686,000) and the net cash to equity ratio was 11.7% (31 March 2014: 11.5%).

As at 30 September 2014, the Group's outstanding interest-bearing borrowings amounted to HK\$66,270,000 (31 March 2014: HK\$62,071,000). Such borrowings comprised bank loan facilities of HK\$2,396,000 and trade finance facilities of HK\$63,874,000. The maturity profile of the Group's bank borrowings falling due within one year and in the second to the fifth year amounted to HK\$66,270,000 and HK\$ Nil respectively. (31 March 2014: HK\$62,071,000 and HK\$ Nil respectively)

The Group has maintained a healthy liquidity position and has continuously monitored financial resources to ensure sufficient funding to meet working capital and capital expenditure requirements.

FOREIGN EXCHANGE EXPOSURE

The Group's financial statements are denominated in United States dollars. The Group carried out its business transactions mainly in United States dollars, Hong Kong dollars, Renminbi and Japanese yen. As the Hong Kong dollar has remained pegged to the United States dollar, there was no material exchange risk in this respect. To manage the appreciation of the Renminbi, the Group had successfully diversified its revenue sources in Mainland China in order to hedge Renminbi receipts and Renminbi payments on an ongoing basis. All of the Group's bank loan facilities were denominated in Hong Kong dollars and carried interests at floating rates. Interest rate exposure was low.

EMPLOYMENT AND REMUNERATION POLICY

As at 30 September 2014, the Group employed 50 employees in Hong Kong (six months ended 30 September 2013: 54) and a total work force of approximately 2,187 (six months ended 30 September 2013: 2,627) inclusive of all its staff and workers in China. The Group's remuneration policy is built on the principle of equitable, incentive-based where applicable, performance-oriented and market-competitive remuneration packages to employees. Remuneration packages are normally reviewed on a regular basis. Apart from salary payments, other staff benefits include share option schemes, performance-based bonuses, provident fund contributions and medical insurance coverage.

OUTLOOK AND PROSPECTS

The operating environment in the manufacturing sector is expected to remain challenging in the coming years. The slow recovery of the global economy and the slowdown of domestic economic growth in Mainland China are continuing to weigh down the Group's business growth. The key challenges in the coming year would be the labour shortage, rising manufacturing and labour costs, the appreciation of the Renminbi and the shorter life cycle of consumer electrical products, which in turn increases the difficulties in resources planning and the ability to predict sales orders.

The overall performance of the Group in the first half of the financial year has been improving. On-going progress has been made in streamlining the operational flow and overlapping of manpower so as to reduce operational cost.

As one of the key global suppliers of stylish haircare products, the Group will continue to align its strategic direction reinforcing its position as a major ODM supplier to the world's leading brand owners. It will strive to improve the net profit margins and liquidity position by adjusting the product mix and also exercising more stringent control over manufacturing overheads. The Group's strategic focus on developing lifestyle haircare products superior to traditional items will remain unchanged.

SHARE CAPITAL

During the six months ended 30 September 2014, the listed shares of HK\$0.001 each in the share capital of the Company (the "Share") was 438,926,000 Shares.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES OF THE COMPANY

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed shares of HK\$0.001 each in the share capital of the Company during the period.

CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with the applicable code provisions of the Corporate Governance Code and Corporate Governance Report (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") throughout the six months ended 30 September 2014, except for the deviation from the CG Code A.2.1 explained in the following relevant section.

To enhance accountability, transparency, independence, responsibility and fairness to the shareholders and stakeholders, the Company is dedicated to develop the appropriate framework of corporate governance for the Group. The Group will keep on reviewing and improving the corporate governance practices and procedures from time to time to ensure its commitment to the corporate governance standard and strive for the enhancement of shareholder value.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted procedures governing directors' securities transactions in compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules. Upon enquiry by the Company, all the directors of the Company (the "Directors") have confirmed that they fully complied with the required standards as set out in the Model Code throughout the six months ended 30 September 2014.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established on 29 April 2005 with written terms of reference published on both the websites of the Stock Exchange and the Company. They are available for inspection by the shareholders of the Company upon request made to the company secretary. The primary duties of the Audit Committee are, inter alia, to review and supervise the financial reporting process and internal control system of the Group, to review the financial statements focusing particularly on (i) any changes in accounting policies and practices of the Group; (ii) the compliance with accounting standards and (iii) the compliance with the legal requirements, as well as to review the Company's annual reports and interim reports.

The audit committee has the responsibilities and powers set forth in the terms of reference of the audit committee. Committee members shall meet at least twice to consider the interim and final results prepared by the Board.

The Audit Committee comprises three Independent Non-Executive Directors, namely, Mr. Chiu Fan Wa, Mr. Choi Hon Keung and Mr. Li Chi Chung. Mr. Chiu Fan Wa, who is a qualified accountant with appropriate professional qualification and experience in financial matters, was appointed as the chairman of the Audit Committee. None of the Audit Committee members are members of the former or existing auditors of the Company.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the website of the Company at www.kenford.com.hk under “Results Announcement”. The interim report will be dispatched to the shareholders and published on the above websites in due course.

APPRECIATION

The Board would like to take this opportunity to express its gratitude to all members of the staff for their dedication and commitment and the continuing support from our customers, suppliers, banks and shareholders.

By Order of the Board
Lam Wai Ming
Chairman

Hong Kong, 27 November 2014

As at the date hereof, the board of Directors comprises two executive Directors, namely Mr. Lam Wai Ming (Chairman) and Mr. Tam Chi Sang (Managing Director) and three Independent Non-executive Directors, namely Mr. Chiu Fan Wa, Mr. Choi Hon Keung and Mr. Li Chi Chung.