



**United Pacific  
Industries**

**聯 太 工 業**

Stock Code : 176

**Second Interim Report**  
**2 0 1 5**

# CONTENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS	2
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION	6
CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS	8
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	10
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION	11
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	12
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS	14
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS	15
OTHER INFORMATION	39
CORPORATE INFORMATION	44

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

The board of directors (the "Board" or "Directors") announced on 5 November 2015 that the financial year end date of United Pacific Industries Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") have been changed from 30 September to 31 December.

The above change was to align with the financial year end date of the Company's principal operating subsidiary which is incorporated in the PRC and whose accounts are statutorily required to be closed with the financial year end date of 31 December. The Board considers that this change will facilitate the Company to prepare and update its financial statements for the preparation of its consolidated financial statements.

As a consequence of the change of its financial year end date, the Company announces its second interim results for the twelve months ended 30 September 2015 (the "Reporting Period"). For the Reporting Period, the Group recorded HK\$135.5 million in revenue from continuing operations (year ended 30 September 2014: HK\$286.2 million), showing a significant decline of 52.7% period on period.

The Group posted a loss of HK\$10.3 million from continuing operations for the Reporting Period as compared to a profit of HK\$49.9 million for the corresponding period in 2014. The substantial decrease in turnover, and the loss incurred by the Group for the Reporting Period, were mainly attributed to lower demand from a key customer, resulting in reduced sales and a decline in the Group's gross profit margin.

During the Reporting Period, the cost of materials remained relatively steady and a weakening of the Renminbi against the US dollar provided a slightly positive effect on costs. However, owing to the drop in turnover resulting in reduced economies of scale, the Group's gross profit margin dropped substantially to 7.2% as compared with 14.5% for the same period in 2014.

Administrative costs amounted to HK\$32.4 million (year ended 30 September 2014: HK\$37.8 million).

## BUSINESS REVIEW

Operating under a sluggish growth rate in the consumer electronic sector, the Group has furthered its efforts on efficiency enhancements and risk control, while continuing to optimise productivity. At the same time, the Group continued to adjust its development plan and business portfolio in accordance with market trends and the macroeconomic environment. It also maintained a prudent financial policy to safeguard long-term value for shareholders.

Despite a moderate recovery of the US economy, overall market conditions were still fragile in the midst of worldwide economic uncertainties. Growth momentum of the consumer electronic sector was impeded amid a general slowdown in manufacturing activities across many countries. Against this challenging backdrop, the Group's goal remained to broaden its revenue base for a more stable long-term path to development.

### **Consumer Electronics Division (Alford Industries) (the "Division")**

The Reporting Period was a very challenging one compared to the past few years owing to slackened demand. During the Reporting Period, sales revenues decreased 52.7% period on period to HK\$135.5 million (year ended 30 September 2014: HK\$286.2 million). The drop was substantially attributable to the decrease in sales to a crucial customer, which has previously engaged the Group for the production of baby monitoring products.

Keen competition amongst OEM manufacturers was also a main reason for the Division's business downturn. The drastic reduction in business volume produced a lower gross profit margin for the Division.

The geographic distribution remained stable with solid coverage over the developed markets. The Division continued to be reliant on the US market, which contributed 65.5% of total sales during the Reporting Period, while the UK generated 19.4% of sales.

The Division's core baby monitoring products delivered solid results, but sales of the pet series were lower than expected, accounting in part for the revenue drop. The Group is actively pursuing alternative business development options with its existing and new customers and markets. It is also driving product innovation and development based on customer needs. A diversification plan is being implemented in phases to drive new growth.

The Group was faced with the dual impact of stagnant economic growth on one hand, and continuing rise in competition amongst OEM manufacturers on the other. To counter this challenge, the Group has been steadily moving ahead with its business expansion and product diversification initiatives.

Overhead expenditures decreased in line with the reduction in sales turnover. The average Renminbi exchange rate remained steady for the past several years, and a sharp depreciation of almost 5% in the currency in mid-August has provided a slightly positive effect to the Group as its income was mostly denominated in US dollars while major expenditures were in Renminbi. Material costs were stable in proportion to production volume during the Reporting Period.

### **Business Developments**

The Group holds 28% interest in Yuji, an after-life services company based in Taiwan. This business expansion allows the Group to develop its business portfolio into areas with quality earnings generation prospects.

Yuji operates three columbarium towers and one outdoor cemetery in Taipei. Its revenue is mostly contributed by the sale of columbarium units and cemetery plots. Yuji maintained stable business during the Reporting Period and contributed a profit of HK\$17.3 million to the Group.

# MANAGEMENT'S DISCUSSION AND ANALYSIS

## OUTLOOK

The global electronics manufacturing sector continues to face challenging market conditions. The Group strives to maintain a dynamic business mix to meet changing market trends, while expanding the market presence of its existing businesses through product and service enhancements, and marketing input. In terms of control of manufacturing costs, the Group will further its efforts in production efficiency enhancements and strategic sourcing.

Equipped with advanced technologies, dominant integrated capabilities and outstanding products, the Group will remain focused on improving its product portfolio and seizing new opportunities for development. The Group is convinced that it can compete for additional market share amidst industry consolidation.

The growth of e-commerce has brought about tremendous changes in sales and marketing, and in the way business is conducted. The Group will study and leverage this new medium to carry out customer-focused research and development, as well as more targeted marketing, thus making better use of internal resources. The Group remains highly responsive to the fast-changing market and technological advancements, as it believes innovation is the way forward to sustain and expand business.

The fragile world economy and intensified competition will have impacts on the Group's profit margin, but the Group will leverage its substantial cash balance to pursue investment opportunities that offer good potential for return and sustainable income. The Group will focus its resources into areas with growth potential, in order to build a healthy balanced earnings and geographical mix. The Board has faith that Asia will continue to grow despite some slowdown; the Group will thus stay focused on capturing business opportunities in line with the region's development. The Group's mission remains to derive long-term value for shareholders.

## LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

The Group adopted a prudent funding and treasury policy with regard to its overall business operation. As at 30 September 2015, the Group had cash and cash equivalents of HK\$300.4 million (30 September 2014: HK\$287.2 million). Total net cash (i.e. cash and bank balances less borrowings) amounted to HK\$300.4 million (30 September 2014: HK\$208.1 million). Most of the bank balances were in Hong Kong dollars ("HKD"). With the cash and bank balances available, the Group has sufficient financial resources to finance its operations and to meet the financial obligations of its business.

As at 30 September 2015, the Group had net assets value of HK\$461.7 million (30 September 2014: HK\$402.3 million), with a liquidity ratio (ratio of current assets to current liabilities) of 628% (30 September 2014: 495%).

As at 30 September 2015, 163,336,303 shares were issued as the convertible bonds with face value of HK\$77,000,000 were fully converted into shares of HK\$0.10 each at the conversion price of HK\$0.47142. The Group had net zero gearing (30 September 2014: Nil).

### **FOREIGN EXCHANGE EXPOSURE**

Most of the Group's assets and liabilities are denominated in HKD, Renminbi and New Taiwan Dollar ("TWD"). Considering that the exchange rates between these currencies are relatively stable, the Group took the view that the corresponding exposure to Renminbi and TWD exchange rate fluctuation was insignificant.

The Group does not use any derivative financial instruments or hedging instruments. The Group will constantly review the economic situation and its foreign currency risk profile, and actively monitor foreign exchange exposure to minimize the impact of any adverse currency movement.

### **EMPLOYEES AND REMUNERATION POLICY**

As at 30 September 2015, the Group employed approximately 380 employees (30 September 2014: 500 employees) worldwide.

The remuneration of employees is determined by overall guidelines within the relevant industries. The Group has also adopted certain bonus programmes, share option scheme, medical insurance and other welfare and benefit programmes for its various categories of employees. The remuneration policy of the Group is reviewed regularly and is in line with the performance and qualifications of individual employees and prevailing market conditions.

# REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



Tel : +852 2218 8288  
Fax : +852 2815 2239  
www.bdo.com.hk

25<sup>th</sup> Floor Wing On Centre  
111 Connaught Road Central  
Hong Kong

電話 : +852 2218 8288  
傳真 : +852 2815 2239  
www.bdo.com.hk

香港干諾道中111號  
永安中心25樓

## TO THE BOARD OF DIRECTORS OF UNITED PACIFIC INDUSTRIES LIMITED

*(incorporated in Bermuda with limited liability)*

### INTRODUCTION

We have reviewed the interim financial statements set out on pages 8 to 38, which comprises the condensed consolidated statement of financial position of United Pacific Industries Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") as of 30 September 2015 and the related condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the twelve months then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial statements to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these interim financial statements in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

Our responsibility is to express a conclusion on these interim financial statements based on our review. This report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

### SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Limited  
香港立信德豪會計師事務所有限公司

BDO Limited, a Hong Kong limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.



## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting".

### **BDO Limited**

*Certified Public Accountants*

### **Li Pak Ki**

Practising Certificate Number: P01330

Hong Kong, 30 November 2015



# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the twelve months ended 30 September 2015

	Notes	Twelve months ended 30 September	
		2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Audited)
<b>Continuing operations</b>			
Revenue	3	135,490	286,249
Cost of sales		(125,707)	(244,786)
Gross profit		9,783	41,463
Other income		552	61,033
Interest income		3,535	87
Selling and distribution costs		(3,948)	(12,106)
Administrative costs		(32,350)	(37,754)
Finance costs	4	(3,674)	(814)
Gain on dilution of interest in an associate	13	1,024	—
Share of results of an associate	13	17,349	9,583
(Loss)/profit before tax	5	(7,729)	61,492
Income tax expense	6	(2,539)	(11,581)
(Loss)/profit for the period/year from continuing operations		(10,268)	49,911
<b>Discontinued operations</b>			
Net results from discontinued operations	9	—	(228,670)
<b>Loss for the period/year</b>		<b>(10,268)</b>	<b>(178,759)</b>
<b>Loss for the period/year attributable to owners of the Company</b>			
Continuing operations		(10,268)	49,911
Discontinued operations		—	(228,670)
		<b>(10,268)</b>	<b>(178,759)</b>

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the twelve months ended 30 September 2015

	Notes	Twelve months ended 30 September	
		2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Audited)
<b>(Loss)/earnings per share</b>	8		
From continuing and discontinued operations			
Basic		<b>(0.89) cents</b>	(16.78) cents
Diluted		<b>(0.89) cents</b>	(16.31) cents
From continuing operations			
Basic		<b>(0.89) cents</b>	4.69 cents
Diluted		<b>(0.89) cents</b>	4.60 cents
From discontinued operations			
Basic		<b>N/A</b>	(21.47) cents
Diluted		<b>N/A</b>	(20.91) cents

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the twelve months ended 30 September 2015

	Notes	Twelve months ended 30 September	
		2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Audited)
<b>Loss for the period/year</b>		<b>(10,268)</b>	(178,759)
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss:</b>			
Recognition of actuarial losses on defined benefit pension plan (net of tax)		—	(53,143)
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences arising on the translation of interest in a foreign associate	13	<b>(8,569)</b>	(1,706)
Exchange differences arising on the translation of foreign operations		<b>(871)</b>	868
Cash flow hedge loss recognised in equity		—	(361)
Cash flow hedge recycled to the statement of profit or loss		—	712
Deficit on revaluation of available-for-sale financial assets		—	(957)
Realised exchange differences on the sale of a disposal group recycled to the statement of profit or loss		—	57,122
Impairment of available-for-sale financial assets recycled to the statement of profit or loss		—	1,702
<b>Other comprehensive income for the period/year, net of tax</b>		<b>(9,440)</b>	4,237
<b>Total comprehensive income for the period/year attributable to owners of the Company</b>		<b>(19,708)</b>	(174,522)

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2015

	Notes	30 September 2015 HK\$'000 (Unaudited)	30 September 2014 HK\$'000 (Audited)
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	4,062	4,362
Interest in an associate	13	144,596	150,234
Available-for-sale financial assets		237	237
		<b>148,895</b>	154,833
<b>CURRENT ASSETS</b>			
Inventories		13,867	18,182
Trade and other receivables	14	58,267	96,440
Cash and bank balances		300,413	287,181
		<b>372,547</b>	401,803
<b>CURRENT LIABILITIES</b>			
Trade and other payables	15	48,695	62,023
Interest-bearing bank borrowings	16	—	6,020
Obligations under finance leases	17	—	9
Tax payable		10,642	13,174
		<b>59,337</b>	81,226
<b>NET CURRENT ASSETS</b>		<b>313,210</b>	320,577
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>462,105</b>	475,410
<b>NON-CURRENT LIABILITIES</b>			
Convertible bonds	18	—	73,101
Deferred tax liabilities	19	381	—
		<b>381</b>	73,101
<b>NET ASSETS</b>		<b>461,724</b>	402,309
<b>CAPITAL AND RESERVES</b>			
Share capital	20	133,171	116,087
Reserves		328,553	286,222
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<b>461,724</b>	402,309

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the twelve months ended 30 September 2015

	Share capital	Share premium*	Treasury share reserve*	Share option reserve*	Other reserve*	Convertible bonds equity reserve*	Capital redemption reserve*	Capital reserve*	Translation reserve*	Hedging reserve*	Investment revaluation reserve*	Retained profits*	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 October 2013 (Audited)	100,744	42,406	(4,968)	513	40	–	1,442	19,870	(55,336)	(351)	(794)	371,001	474,567
Exercise of share options	600	1,456	–	(178)	–	–	–	–	–	–	–	–	1,878
Share-based compensation expense	–	–	–	208	–	–	–	–	–	–	–	–	208
Equity component of convertible bonds (note 18)	–	–	–	–	–	4,349	–	–	–	–	–	–	4,349
Issuance of shares for acquisition of associate (note 13)	14,743	81,086	–	–	–	–	–	–	–	–	–	–	95,829
<b>Transactions with owners</b>	<b>15,343</b>	<b>82,542</b>	<b>–</b>	<b>30</b>	<b>–</b>	<b>4,349</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>102,264</b>
Loss for the year	–	–	–	–	–	–	–	–	–	–	–	(178,759)	(178,759)
<b>Other comprehensive income:</b>													
Exchange differences arising on the translation of foreign operations	–	–	–	–	–	–	–	–	868	–	–	–	868
Exchange differences arising on the translation of interest in a foreign associate (note 13)	–	–	–	–	–	–	–	–	(1,706)	–	–	–	(1,706)
Cash flow hedge loss recognised in equity	–	–	–	–	–	–	–	–	–	(361)	–	–	(361)
Cash flow hedge recycled to the statement of profit or loss	–	–	–	–	–	–	–	–	–	712	–	–	712
Realised exchange differences on the sale of a disposal group recycled to the statement of profit or loss	–	–	–	–	–	–	–	–	57,122	–	–	–	57,122
Deficit on revaluation of available-for-sale financial assets	–	–	–	–	–	–	–	–	–	–	(957)	–	(957)
Impairment of available-for-sale financial assets recycled to the statement of profit or loss	–	–	–	–	–	–	–	–	–	–	1,702	–	1,702
Recognition of actuarial losses on defined benefit pension plan (net of tax)	–	–	–	–	–	–	–	–	–	–	–	(53,143)	(53,143)
<b>Total comprehensive income for the year</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>56,284</b>	<b>351</b>	<b>745</b>	<b>(231,902)</b>	<b>(174,522)</b>
<b>At 30 September 2014 (Audited)</b>	<b>116,087</b>	<b>124,948</b>	<b>(4,968)</b>	<b>543</b>	<b>40</b>	<b>4,349</b>	<b>1,442</b>	<b>19,870</b>	<b>948</b>	<b>–</b>	<b>(49)</b>	<b>139,099</b>	<b>402,309</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the twelve months ended 30 September 2015

	Share capital	Share premium*	Treasury share reserve*	Share option reserve*	Other reserve*	Convertible bonds equity reserve*	Capital redemption reserve*	Capital reserve*	Translation reserve*	Investment revaluation reserve*	Retained profits*	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 October 2014 (Audited)	116,087	124,948	(4,968)	543	40	4,349	1,442	19,870	948	(49)	139,099	402,309
Exercise of share options	750	2,182	-	(584)	-	-	-	-	-	-	-	2,348
Exercise of conversion rights (note 18)	16,334	64,749	-	-	-	(4,349)	-	-	-	-	-	76,734
Share-based compensation expense	-	-	-	41	-	-	-	-	-	-	-	41
<b>Transactions with owners</b>	<b>17,084</b>	<b>66,931</b>	<b>-</b>	<b>(543)</b>	<b>-</b>	<b>(4,349)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>79,123</b>
Loss for the period	-	-	-	-	-	-	-	-	-	-	(10,268)	(10,268)
<b>Other comprehensive income:</b>												
Exchange differences arising on the translation of foreign operations	-	-	-	-	-	-	-	-	(871)	-	-	(871)
Exchange differences arising on the translation of interest in a foreign associate (note 13)	-	-	-	-	-	-	-	-	(8,569)	-	-	(8,569)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,440)</b>	<b>-</b>	<b>(10,268)</b>	<b>(19,708)</b>
At 30 September 2015 (Unaudited)	133,171	191,879	(4,968)	-	40	-	1,442	19,870	(8,492)	(49)	128,831	461,724

\* The total reserves at 30 September 2015 is HK\$328,553,000 (2014: HK\$286,222,000).

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the twelve months ended 30 September 2015

	<b>Twelve months ended</b>	
	<b>30 September</b>	
	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
<b>Cash flows from operating activities</b>		
Net cash generated from operations	<b>5,348</b>	34,715
Income tax paid	<b>(4,694)</b>	(9,524)
<b>Net cash generated from operating activities</b>	<b>654</b>	25,191
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	<b>(1,078)</b>	(6,728)
Interest received	<b>3,535</b>	842
Dividend received from an associate	<b>14,632</b>	—
Acquisition of an associate	<b>—</b>	(131,440)
Net cash inflow from disposal of subsidiaries	<b>—</b>	2,242
<b>Net cash generated from/(used in) investing activities</b>	<b>17,089</b>	(135,084)
<b>Cash flows from financing activities</b>		
Repayments of bank borrowings	<b>(6,020)</b>	(14,560)
Proceeds from exercise of share options	<b>2,348</b>	1,878
Interest paid on interest-bearing bank borrowings and bank overdrafts	<b>(41)</b>	(7,074)
Principal repayment of obligations under finance leases	<b>(9)</b>	(4,748)
Net cash inflow on trust receipts and export loans	<b>—</b>	2,331
New bank borrowings raised	<b>—</b>	35,925
Proceeds from issue of convertible bonds	<b>—</b>	77,000
Proceeds from issue of ordinary shares upon acquisition of an associate	<b>—</b>	130,720
Proceeds from bridge loan in relation to the acquisition of an associate	<b>—</b>	130,720
Repayment of bridge loan in relation to the acquisition of an associate	<b>—</b>	(130,720)
<b>Net cash (used in)/generated from financing activities</b>	<b>(3,722)</b>	221,472
<b>Net increase in cash and cash equivalents</b>	<b>14,021</b>	111,579
Effect of foreign exchange rates	<b>(789)</b>	2,597
<b>Cash and cash equivalents at the beginning of the period/year</b>	<b>287,181</b>	173,005
<b>Cash and cash equivalents at the end of the period/year</b>	<b>300,413</b>	287,181
<b>Analysis of balances of cash and cash equivalents</b>		
Cash and bank balances	<b>300,413</b>	287,181

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 1. GENERAL INFORMATION

On 5 November 2015, the Group announced to change its financial year end date from 30 September to 31 December so as to unify the financial year end date of the Company and its principal operating subsidiary which is incorporated in the People's Republic of China (the "PRC"). As a result of this, our second interim results covered a period of the twelve months ended 30 September 2015.

The unaudited condensed consolidated interim financial statements of the Group (the "Interim Financial Statements") have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Interim Financial Statements have been prepared in accordance with the same accounting policies adopted in the annual consolidated financial statements for the year ended 30 September 2014, except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (which include individual HKFRSs, Hong Kong Accounting Standards and Interpretations) as disclosed in note 2 to the Interim Financial Statements.

The preparation of the 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 expense on a year to year basis. Actual results may differ from these estimates.

The Interim Financial Statements are unaudited, but have been reviewed by BDO Limited in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

The Interim Financial Statements does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 30 September 2014.

## 2. ADOPTION OF NEW OR REVISED HKFRSs

A number of new or revised Standards, Amendments and Interpretations are effective for the Group's financial period beginning on or after 1 October 2014. The adoption of the new and revised Standards, Amendments and Interpretations had no material effect on how the results and financial position for the current and prior accounting periods have been prepared and presented.

The Group has not early adopted the following new standards and amendments of HKFRSs potentially relevant to the Group's financial statements, which have been issued but not yet effective for the financial period beginning on 1 October 2014.

HKFRSs (Amendments)	Annual Improvements 2012-14 cycle <sup>1</sup>
HKFRS 15	Revenue from Contracts with Customers <sup>2</sup>
HKFRS 9	Financial Instruments <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2016

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2018

The Directors anticipate that all of the pronouncements will be adopted in the Group's accounting policies for the first period beginning on or after the effective date of the pronouncement.



# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 3. REVENUE AND SEGMENT INFORMATION

The Group's segment information is based on regular internal financial information reported to the Company's executive director and management for their decisions about resources allocation to the Group's business components and their review of these components' performance.

Up until 30 May 2014, the Group's principal segments for internal reporting purposes were: the contract manufacturing, on OEM and EMS bases, of a wide range of power-related and electrical/electronic products ("Contract Manufacturing"); the manufacture, procurement and distribution of a broad line of hand, lawn and garden tools ("Tools"); the procurement and assembly of magnetic tools and products including the provision of magnetic-based industrial solutions ("Magnetic Technologies"); the manufacture, assembly and procurement of metrology and measurement tools ("Precision Measurement"); and the manufacture of electronic consumer products ("Consumer Electronics"). On that date, the Company sold its entire shareholdings in Pantene Global Holdings Limited ("PGH") and Pantronics Holdings Limited ("PHL"). PGH was the holding company of the Tools, Magnetic Technologies and Precision Measurement segments while PHL was the holding company of the Contract Manufacturing segment.

At the reporting date, there is one remaining business segment, Consumer Electronics, upon which the Group reports its primary segment information.

Revenue, which is also the Group's turnover, represents the total invoiced value of goods supplied less discounts and returns.

	<b>Consumer Electronics HK\$'000 (Unaudited)</b>
<b>For the twelve months ended 30 September 2015</b>	
<b>Revenue</b>	
External customers	<b>135,490</b>
Inter-segment revenues	<b>—</b>
	<b>135,490</b>
<b>Loss before tax</b>	
Segment loss	<b>(5,420)</b>
Net finance credits	<b>210</b>
<b>Reportable segment loss</b>	<b>(5,210)</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 3. REVENUE AND SEGMENT INFORMATION *(Continued)*

	<b>Consumer Electronics</b>	<b>Discontinued Operations</b>	<b>Total</b>
	HK\$'000 (Audited)	HK\$'000 (Audited)	HK\$'000 (Audited)
For the year ended 30 September 2014			
<b>Revenue</b>			
External customers	286,249	875,395	1,161,644
Inter-segment revenues	—	7,210	7,210
	<hr/> 286,249	<hr/> 882,605	<hr/> 1,168,854
<b>(Loss)/profit before tax</b>			
Segment operating profit	19,298	68,447	87,745
Restructuring costs	—	(4,112)	(4,112)
Share of results of an associate	—	4,016	4,016
Impairment loss on non-current assets (note 10)	—	(170,283)	(170,283)
Net finance costs	(287)	(5,955)	(6,242)
	<hr/> 19,011	<hr/> (107,887)	<hr/> (88,876)
<b>Reportable segment profit/(loss)</b>	<hr/> <b>19,011</b>	<hr/> <b>(107,887)</b>	<hr/> <b>(88,876)</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 3. REVENUE AND SEGMENT INFORMATION *(Continued)*

The totals represented the Group's operating segments reconciled to the Group's key financial figures as presented in the Interim Financial Statements as follows:

	<b>Twelve months ended</b>	
	<b>30 September</b>	
	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Reportable segment revenues	<b>135,490</b>	1,168,854
Discontinued operations	—	(882,605)
<b>Total revenue</b>	<b>135,490</b>	286,249

	<b>Twelve months ended</b>	
	<b>30 September</b>	
	<b>2015</b>	2014
	<b>HK\$'000</b>	HK\$'000
	<b>(Unaudited)</b>	(Audited)
Reportable segment loss	<b>(5,210)</b>	(88,876)
Gain on dilution of interest in an associate (note 13)	<b>1,024</b>	—
Unallocated corporate net finance (charge)/credits	<b>(348)</b>	87
Unallocated corporate (costs)/credits	<b>(20,544)</b>	32,811
Share of results of an associate (note 13)	<b>17,349</b>	9,583
Less: Segment loss from discontinued operations (note 9)	—	(107,887)
<b>(Loss)/profit from continuing operations before tax</b>	<b>(7,729)</b>	61,492

The unallocated corporate (costs)/credits mainly comprise of bargain purchase on acquisition of Yuji, staff costs (including directors' remuneration), legal and professional fee, exchange difference and office rental.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 3. REVENUE AND SEGMENT INFORMATION *(Continued)*

### Geographical information

The following table provides an analysis of the Group's revenue from external customers by location of delivery of goods and/or services to the customers:

#### Revenue by geographical market

	Continuing Operations		Discontinued Operations		Total	
	Twelve months ended		Twelve months ended		Twelve months ended	
	30 September		30 September		30 September	
	2015	2014	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Mainland China	225	1,011	–	26,913	225	27,924
Hong Kong (place of domicile)	271	328	–	6,293	271	6,621
	496	1,339	–	33,206	496	34,545
United States of America	88,741	215,351	–	148,223	88,741	363,574
United Kingdom (the "UK")	26,239	24,593	–	264,125	26,239	288,718
Australia	931	2,847	–	131,185	931	134,032
France	–	–	–	93,285	–	93,285
Others	19,083	42,119	–	205,371	19,083	247,490
	135,490	286,249	–	875,395	135,490	1,161,644

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 4. FINANCE COSTS

	Continuing Operations		Discontinued Operations		Total	
	Twelve months ended		Twelve months ended		Twelve months ended	
	30 September		30 September		30 September	
	2015	2014	2015	2014	2015	2014
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
Interest on interest-bearing bank borrowings and overdrafts wholly repayable within five years	41	364	–	1,480	41	1,844
Imputed interest on convertible bonds (note 18)	3,633	450	–	–	3,633	450
Interest on retirement benefit obligations	–	–	–	4,922	–	4,922
Interest on obligations under finance leases	–	–	–	308	–	308
	<b>3,674</b>	814	–	6,710	<b>3,674</b>	7,524

## 5. (LOSS)/PROFIT BEFORE TAX

(Loss)/profit before tax has been arrived at after charging/(crediting):

	Continuing Operations		Discontinued Operations		Total	
	Twelve months ended		Twelve months ended		Twelve months ended	
	30 September		30 September		30 September	
	2015	2014	2015	2014	2015	2014
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
Depreciation of property, plant and equipment	1,298	2,356	–	9,730	1,298	12,086
Amortisation of lease payments under operating leases	–	–	–	17	–	17
(Reversal of impairment loss)/impairment loss on trade receivables	(86)	(474)	–	9	(86)	(465)
Impairment loss/(reversal of impairment loss) on inventories	220	1,236	–	(450)	220	786
Interest income	(3,535)	(87)	–	(755)	(3,535)	(842)
Cost of inventories recognised as expenses	125,707	244,786	–	590,883	125,707	835,669
Retirement benefit plan charge						
Current service charge	–	–	–	2,092	–	2,092
Administration costs	–	–	–	2,054	–	2,054
Cash flow hedge recycled from other comprehensive income	–	–	–	712	–	712
Restructuring costs	–	–	–	4,112	–	4,112

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 6. INCOME TAX EXPENSE

The income tax expense for the period/year comprises:

	Continuing Operations		Discontinued Operations		Total	
	Twelve months ended		Twelve months ended		Twelve months ended	
	30 September		30 September		30 September	
	2015	2014	2015	2014	2015	2014
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
Current income tax						
Hong Kong:						
Provision for the period/year	–	1,530	–	1,616	–	3,146
Current income tax						
Overseas:						
Provision for the period/year	3,088	4,707	–	6,972	3,088	11,679
(Over)/under provision						
in prior years	(930)	5,344	–	–	(930)	5,344
	2,158	10,051	–	6,972	2,158	17,023
	2,158	11,581	–	8,588	2,158	20,169
Deferred tax (note 19)	381	–	–	(5,342)	381	(5,342)
	2,539	11,581	–	3,246	2,539	14,827

No Hong Kong profits tax had been provided for the twelve months ended 30 September 2015 as the Group has no estimated assessable profits.

Hong Kong profits tax is calculated at 16.5% on the estimated assessable profits for the year ended 30 September 2014. Taxation arising in other jurisdictions is provided on the estimated taxable profits arising in those jurisdictions at the prevailing local rates.

Withholding tax is levied on profit distribution upon declaration of the undistributed earnings of an associate for the period/year at the rate of 20% (2014: 20%).

## 7. DIVIDENDS

The Board does not declare an interim dividend for the twelve months ended 30 September 2015 (year ended 30 September 2014: Nil).

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 8. (LOSS)/EARNINGS PER SHARE

### (a) From continuing and discontinued operations

The calculation of the basic and diluted loss per share for the twelve months ended 30 September 2015 is based on the loss attributable to owners of the Company of HK\$10,268,000 (year ended 30 September 2014: loss of HK\$178,759,000 and HK\$178,385,000 respectively) and the weighted average number of 1,149,919,551 (year ended 30 September 2014: 1,065,202,417 and 1,093,467,562 respectively) ordinary shares.

The calculation of adjusted loss for diluted loss per share purpose is as follows:

	<b>2015</b> <b>HK\$'000</b> <b>(Unaudited)</b>	2014 HK\$'000 (Audited)
Loss for the period/year from continuing and discontinued operations	<b>(10,268)</b>	(178,759)
Add: Imputed interest expense for convertible bonds	–	450
Less: Tax impact of the imputed interest	–	(76)
	<b>(10,268)</b>	(178,385)

The calculation of weighted average number of ordinary shares is as follows:

#### (i) Weighted average number of ordinary shares (basic)

	<b>2015</b> <b>(Unaudited)</b>	2014 (Audited)
Issued ordinary shares at 1 October	<b>1,160,871,287</b>	1,007,443,153
Subscription of shares at 8 April 2014	–	71,088,634
Effect of share options exercised (note (i))	<b>2,028,767</b>	98,630
Effect of conversion rights	<b>447,497</b>	–
Treasury shares	<b>(13,428,000)</b>	(13,428,000)
Weighted average number of ordinary shares at 30 September	<b>1,149,919,551</b>	1,065,202,417
Basic loss per share (HK cents)	<b>(0.89)</b>	(16.78)

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 8. (LOSS)/EARNINGS PER SHARE *(Continued)*

(a) From continuing and discontinued operations *(Continued)*

(ii) *Weighted average number of ordinary shares (diluted)*

	<b>2015</b> <b>(Unaudited)</b>	2014 (Audited)
Issued ordinary shares at 1 October	<b>1,160,871,287</b>	1,007,443,153
Subscription of shares at 8 April 2014	—	71,088,634
Effect of share options exercised (note (i))	<b>2,028,767</b>	98,630
Effect of conversions right	<b>447,497</b>	—
Effect of deemed issue of shares under the Company's share option scheme	—	7,232,799
Effect of deemed issue of shares under the Company's convertible bonds	—	21,032,346
Treasury shares	<b>(13,428,000)</b>	(13,428,000)
Weighted average number of ordinary shares at 30 September	<b>1,149,919,551</b>	1,093,467,562
Diluted loss per share (HK cents) (note (ii))	<b>(0.89)</b>	(16.31)

Note:

- (i) Relates to the share options exercised under the Company's share option scheme during the twelve months ended 30 September 2015 and year ended 30 September 2014.
- (ii) Diluted loss per share for the twelve months ended 30 September 2015 is the same as basic loss per share as there is no potential dilutive shares outstanding at the end of reporting period.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 8. (LOSS)/EARNINGS PER SHARE *(Continued)*

#### (b) From continuing operations

The calculation of the basic and diluted loss per share for the twelve months ended 30 September 2015 is based on the loss from continuing operations of HK\$10,268,000 and the weighted average number of ordinary shares, for basic and diluted loss per share of 1,149,919,551. The calculation of the basic and diluted earnings per share for the year ended 30 September 2014 is based on the profit from continuing operations of HK\$49,911,000 and HK\$50,285,000 respectively, and the weighted average number of ordinary shares for basic and diluted earnings per share of 1,065,202,417 and 1,093,467,562 respectively.

The calculation of adjusted (loss)/profit for diluted (loss)/earnings per share purpose is as follows:

	<b>2015</b> <b>HK\$'000</b> <b>(Unaudited)</b>	2014 HK\$'000 (Audited)
(Loss)/profit for the period/year from continuing operations	<b>(10,268)</b>	49,911
Add: Imputed interest expense for convertible bonds	—	450
Less: Tax impact of the imputed interest	—	(76)
	<b>(10,268)</b>	50,285

	<b>2015</b> <b>(Unaudited)</b>	2014 (Audited)
Basic (loss)/earnings per share (HK cents)	<b>(0.89)</b>	4.69
Diluted (loss)/earnings per share (HK cents)	<b>(0.89)</b>	4.60

Diluted loss per share for the twelve months ended 30 September 2015 is the same as basic loss per share as there is no potential dilutive shares outstanding at the end of the reporting period.

#### (c) From discontinued operations

The calculation of the basic and diluted loss per share for the year ended 30 September 2014 is based on the loss from discontinued operations of HK\$228,670,000 and the weighted average number of ordinary shares, for basic and diluted loss per share of 1,065,202,417 and 1,093,467,562 respectively.

	<b>2015</b> <b>(Unaudited)</b>	2014 (Audited)
Basic loss per share (HK cents)	<b>N/A</b>	(21.47)
Diluted loss per share (HK cents)	<b>N/A</b>	(20.91)

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 9. DISCONTINUED OPERATIONS

On 30 May 2014, the Company concluded the sale of its 100% equity interests in PGH and PHL (collectively, the "Disposal Group"), for a net consideration of HK\$6.6 million and HK\$155.5 million, respectively, after deducting the applicable direct costs on disposal and settlement of shareholder's loans, payable in cash.

The revenues, results and cash flows of the Disposal Group are as follows:

	Notes	2014 HK\$'000 (Audited)
Revenue	3	875,395
Cost of sales		(590,883)
Gross profit		284,512
Other income		4,923
Interest income		755
Selling and distribution costs		(144,197)
Administrative costs		(76,079)
Restructuring costs	5	(4,112)
Finance costs	4	(6,710)
Share of results of an associate		4,016
Cash flow hedge recycled from other comprehensive income		(712)
Impairment loss on non-current assets	10	(170,283)
Net loss on disposal		(107,887)
Loss before tax from discontinued operations		(225,424)
Income tax charge		(3,246)
<b>Net results from discontinued operations</b>		<b>(228,670)</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 9. DISCONTINUED OPERATIONS *(Continued)*

The cash flows from the discontinued operations are as follows:

	2014 HK\$'000 (Audited)
Net cash generated from operating activities	24,364
Net cash used in investing activities	(2,841)
Net cash generated from financing activities	16,320
Effect of foreign exchange rate	(1,330)
	36,513

### 10. IMPAIRMENT LOSS ON NON-CURRENT ASSETS

Given that the consideration of US\$2,500,000 for PGH Group was significantly lower than its carrying value at 31 March 2014, the non-current assets of each cash generating unit ("CGU") in the PGH Group were tested for impairment. The aggregate impairment losses recognised for each class of asset at 31 March 2014, are as follows:

	<b>Carrying value as at 31 March 2014 HK\$'000 (Audited)</b>	<b>Recoverable amount as at 31 March 2014 HK\$'000 (Audited)</b>	<b>Impairment losses of non-current assets HK\$'000 (Audited)</b>
Assets of the PGH Group at 31 March 2014			
Property, plant and equipment	155,050	—	155,050
Goodwill	2,491	—	2,491
Other intangible assets	65	—	65
Interest in an associate	12,677	—	12,677
Available-for-sale financial assets	749	749	—
Deferred tax assets	46,150	46,150	—
Inventories	261,433	261,433	—
Trade and other receivables	229,355	229,355	—
Cash and bank balances	73,026	73,026	—
	780,996	610,713	170,283

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 10. IMPAIRMENT LOSS ON NON-CURRENT ASSETS *(Continued)*

The impairment losses were calculated by comparing the recoverable amount to the carrying value of the PGH Group's net assets at 31 March 2014. Impairment losses were allocated to the goodwill and non-current assets of each CGU of the PGH Group as follows:

Class of assets:	Operating segments				Total HK\$'000 (Audited)
	Tools	Precision Measurement	Magnetic Technologies	Corporate	
	HK\$'000 (Audited)	HK\$'000 (Audited)	HK\$'000 (Audited)	HK\$'000 (Audited)	
Property, plant and equipment	27,218	25,500	3,587	98,745	155,050
Goodwill (note 12)	—	2,491	—	—	2,491
Other intangible assets	65	—	—	—	65
Interest in an associate	—	—	12,677	—	12,677
	27,283	27,991	16,264	98,745	170,283

## 11. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment additions for the twelve months ended 30 September 2015 amounted to HK\$1,078,000 (year ended 30 September 2014: HK\$9,916,000). The additions for the year ended 30 September 2014 amounting to HK\$3,188,000 represented assets acquired under finance leases for which there is no cash outflow included in the condensed consolidated statement of cash flows.

## 12. GOODWILL

	HK\$'000
At 1 October 2013 (Audited)	2,419
Currency realignment	72
Impairment (note 10)	(2,491)
At 30 September 2014 (Audited), 1 October 2014 (Audited) and 30 September 2015 (Unaudited)	—

Goodwill, until 30 May 2014, was attributable to the acquisition of Baty International Limited ("Baty"), a company incorporated in the UK and engaged in the design, manufacturing and procurement of precision measuring instruments, which was acquired on 10 March 2010 through the Company's then UK-based subsidiary, Bowers Group Limited. The goodwill in Baty forms part of the net assets sold on the disposal of subsidiary undertakings during the year ended 30 September 2014.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 13. INTEREST IN AN ASSOCIATE

On 8 April 2014, the Group acquired 28.84% equity interest in Yuji Development Corporation (“Yuji”) at a cash consideration of TWD 513,728,077 (equivalent to HK\$130,720,000) from 40 independent persons (the “Vendors”) who aggregately control 28.84% in Yuji. The Vendors then used the proceeds from the transaction to subscribe for 147,428,134 new shares of the Company issued for the same consideration. The cash consideration for the acquisition of Yuji was entirely financed by a bridge loan and the bridge loan was fully repaid out of the subscription monies for the Company’s shares. In substance, the Company has issued its own shares to the Vendors in exchange for their interest in Yuji. The actual cost of investment in Yuji is therefore based on the fair market value of new shares issued as at the date of acquisition of HK\$95,829,000. The directly attributable expense incurred for the acquisition amounted to HK\$720,000.

The share of fair values of Yuji’s net assets as at the date of acquisition is as follows:

	2014 HK\$’000 (Audited)
<b>Net assets of Yuji</b>	
Properties, plant and equipment	17,156
Columbarium units and cemetery plots for resale	570,821
Trade and other receivables	17,161
Amounts due from related parties	2,639
Other financial assets	6,657
Cash and cash equivalents	6,468
Trade payables	(17,278)
Receipt in advance	(32,202)
Other payables	(8,537)
Non-controlling interests	(15,518)
Deferred tax liabilities	(3,023)
	544,344
<b>28.84% of net assets</b>	<b>156,989</b>
Satisfied by	
Fair value of shares of the Company issued to Vendors of Yuji at the date of acquisition	95,829
Directly attributable expense	720
Bargain purchase on acquisition	60,440
	<b>156,989</b>

Yuji engages in the after-life services in Taiwan, which is a totally new business to the Group. Management decided to invest in Yuji in order to tap into the funeral market which has growth potential, and to diversify the income source of the Group.

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 13. INTEREST IN AN ASSOCIATE *(Continued)*

The bargain purchase on acquisition was mainly contributed by the profit generated by Yuji between the negotiation stage and the completion of acquisition, the fair value of the columbarium units and cemetery plots for resale as at 8 April 2014 is in excess of its book carrying value as at that date and the market price of the subscription shares at 8 April 2014 is HK\$0.65, which is substantially below the subscription price of HK\$0.887 used to determine the number of subscription shares under the subscription agreement dated 8 February 2014.

	HK\$'000
Movement of interest in an associate	
At 1 October 2013	—
Share of net assets of Yuji on acquisition	156,989
Currency realignment	(1,706)
Share of results of an associate	9,583
Dividend declared	(14,632)
As at 30 September 2014 (Audited) and 1 October 2014 (Audited)	<b>150,234</b>
Gain on dilution of interest in an associate (note)	<b>1,024</b>
Share of results of an associate	<b>17,349</b>
Currency realignment	<b>(8,569)</b>
Dividend declared	<b>(15,442)</b>
<b>At 30 September 2015 (Unaudited)</b>	<b>144,596</b>

Note: In February 2015, Yuji's ordinary shares in issue were increased from 176,000,000 shares to 181,294,000 shares. The Group did not subscribe its proportionate share of the new ordinary shares which were issued at TWD15 per share. Accordingly, the Group's equity interest in Yuji was diluted from 28.84% to 28%. As the Group's share of net assets value of Yuji immediately after the issuance of new shares is in excess of the Group's original share in net assets value of Yuji, a gain on dilution of interest in an associate of approximately HK\$1,024,000 was recognised during the twelve months ended 30 September 2015.

Up until 30 September 2015, the Group had an interest in the following associate:

Name of entity	Form of business structure	Place of incorporation	Principal place of operation	Nominal value of share capital	Proportion of nominal value of share capital held by the Group
Yuji	Limited by shares	Taiwan	Taiwan	TWD 1,812,940,000	28%

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 13. INTEREST IN AN ASSOCIATE *(Continued)*

The summarised financial information since 8 April 2014 in respect of the Group's associate is set out below:

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
Non-current assets	<b>41,532</b>	22,493
Current assets	<b>609,967</b>	617,691
Total assets	<b>651,499</b>	640,184
Current liabilities	<b>(117,295)</b>	(100,947)
Non-current liabilities	<b>(2,828)</b>	(3,016)
Total liabilities	<b>(120,123)</b>	(103,963)
Non-controlling interests	<b>(14,961)</b>	(15,297)
Net assets	<b>516,415</b>	520,924
Share of an associate's net assets	<b>144,596</b>	150,234
Sales	<b>110,074</b>	52,455
Profit for the period	<b>61,671</b>	33,228
Other comprehensive income	<b>(30,602)</b>	(5,915)
Total comprehensive income	<b>31,069</b>	27,313
Share of results of an associate (net of tax)	<b>17,349</b>	9,583

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 14. TRADE AND OTHER RECEIVABLES

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
Trade receivables	<b>38,708</b>	76,983
Less: Impairment provisions	<b>(887)</b>	(973)
Trade receivables - net	<b>37,821</b>	76,010
Prepayments and other receivables	<b>20,446</b>	20,430
	<b>58,267</b>	96,440

At the reporting date, the aged analysis of trade receivables, based on invoice date, is as follows:

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
0 - 60 days	<b>37,518</b>	70,890
61 - 90 days	<b>303</b>	96
91 - 120 days	<b>—</b>	—
Greater than 120 days	<b>887</b>	5,997
	<b>38,708</b>	76,983

Trade receivables that are neither past due nor impaired relate to a number of customers for whom there has been no recent history of default.

The Group allows credit periods ranging from 30 to 120 days (30 September 2014: 30 to 120 days) to its trade customers depending on their credit status and geographical location. The Directors consider that the carrying amounts of trade and other receivables approximate to their fair values.



## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 14. TRADE AND OTHER RECEIVABLES *(Continued)*

Movements in the provision for impairment of trade receivables are as follows:

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
At 1 October	<b>973</b>	7,698
Impairment losses recognised	<b>265</b>	75
Impairment losses reversed	<b>(351)</b>	(540)
Currency realignment	—	137
Uncollectible amounts written off	—	(293)
Disposal of subsidiary undertakings	—	(6,104)
At 30 September	<b>887</b>	973

The Group has provided in full against those receivables where evidence suggests that the amounts outstanding are not recoverable.

The aged analysis of the Group's trade receivables, based on due date, that were past due as at the reporting date but not impaired, is as follows:

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
Greater than 120 days	—	5,997
	—	5,997

Trade receivables that are past due but not impaired relate to a number of independent customers that have a good payment track record with the Group. Based on past experience, the Directors are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 15. TRADE AND OTHER PAYABLES

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
Trade payables	<b>26,064</b>	35,305
Accruals and other payables	<b>22,631</b>	26,718
	<b>48,695</b>	62,023

At the reporting date, the aged analysis of the trade payables, based on invoice date, is as follows:

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
0 - 60 days	<b>16,525</b>	22,092
61 - 90 days	<b>5,498</b>	4,577
Greater than 90 days	<b>4,041</b>	8,636
	<b>26,064</b>	35,305

The Directors consider that the carrying amounts of trade and other payables approximate to their fair values.

### 16. INTEREST-BEARING BANK BORROWINGS

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
Bank borrowings due within one year (all secured) comprise:		
Export invoices/loan financing	—	6,020
Total bank borrowings	—	6,020

The bank borrowings during the year ended 30 September 2014 which are denominated in Hong Kong Dollars, US Dollars and Sterling, carry variable interest rates linked to the relevant prime rates and fixed interest rates applicable to the country in which the facility has been taken out.

The effective interest rates on the Group's floating rate borrowings range from 2.5% to 5.0% per annum during the year ended 30 September 2014.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 16. INTEREST-BEARING BANK BORROWINGS *(Continued)*

The fair values of the Group's bank borrowings, determined as the present value of the estimated future cash flows, discounted using the prevailing market rate at the reporting date, approximate to their carrying values.

The bank borrowings have been secured by unlimited cross guarantees provided by the Company and Hong Kong trading subsidiary and by the Company's corporate guarantees.

### 17. OBLIGATIONS UNDER FINANCE LEASES

The Group's finance lease liabilities are repayable as follows:

	Minimum lease payments		Present value of minimum lease payments	
	30 September 2015 HK\$'000 (Unaudited)	30 September 2014 HK\$'000 (Audited)	30 September 2015 HK\$'000 (Unaudited)	30 September 2014 HK\$'000 (Audited)
Amounts payable under finance leases:				
Within one year	—	10	—	9
In the second to fifth years inclusive	—	—	—	—
	—	10	—	9
Less: Future finance charges	—	(1)	—	—
Present value of lease obligations	—	9	—	9
Less: Amount due for settlement within one year shown under current liabilities			—	(9)
Amount due for settlement after one year shown under non-current liabilities			—	—

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

## 17. OBLIGATIONS UNDER FINANCE LEASES *(Continued)*

Interest rates underlying all obligations under finance leases are fixed at their respective contract rates ranging from 3.3% to 7.0% (30 September 2014: 3.3% to 7.0%) per annum. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Following the disposal of subsidiaries as detailed in note 9, the Group's obligations under finance leases were all disposed except for a finance lease with carrying value of HK\$9,000 as at 30 September 2014. The fair values of the Group's finance lease obligations, determined by the present value of estimated future cash flows discounted using the prevailing market rate at the reporting date, approximate to their carrying values.

The Group's obligations under finance leases are secured by the lessors' charge over the leased assets.

## 18. CONVERTIBLE BONDS

On 15 August 2014, the Company issued convertible bonds in the principal amount of HK\$77,000,000 to Kingage International Limited. The convertible bonds did not carry any interest unless the Company redeem any outstanding convertible bonds on maturity, in which case a 2% per annum interest would be accrued on the outstanding convertible bonds on a 365-day basis.

The convertible bonds contained two components: liability and equity components. The equity component was presented in equity under "convertible bonds equity reserve". The effective interest rate of the liability component on initial recognition was 5% per annum, as determined by Ample Appraisal Limited which is an independent valuer.

On 30 September 2015, the convertible bonds were fully converted into shares of the Company of HK\$0.10 each at the conversion price of HK\$0.47142 per share. Accordingly, a total of 163,336,303 ordinary shares of HK\$0.10 each were allotted and issued.

	HK\$'000
Face value of convertible bonds issued on 15 August 2014	77,000
Equity component	(4,349)
	72,651
Imputed interest charged on convertible bonds (note 4)	450
Liability component at 30 September 2014 (Audited) and 1 October 2014 (Audited)	<b>73,101</b>
Imputed interest charged on convertible bonds (note 4)	<b>3,633</b>
Exercise of conversion rights	<b>(76,734)</b>
<b>Liability component at 30 September 2015 (Unaudited)</b>	<b>—</b>

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 19. DEFERRED TAX LIABILITIES

The following are the major deferred tax assets and (liabilities) recognised and movements thereon during the current and prior periods:

	Accelerated accounting depreciation HK\$'000	Revaluation of properties HK\$'000	Retirement benefit obligations HK\$'000	Others HK\$'000	Tax losses HK\$'000	Total HK\$'000
At 1 October 2013 (Audited)	8,510	(10,140)	33,252	1,404	164	33,190
Credited/(charged) to consolidated statement of profit or loss (note 6)	(2,367)	10,414	(1,760)	(945)	–	5,342
Recognition of actuarial losses on defined benefit pension plan in other comprehensive income	–	–	13,305	–	–	13,305
Currency realignment	245	(274)	1,240	(69)	5	1,147
Disposal of subsidiary undertaking	(6,388)	–	(46,037)	(390)	(169)	(52,984)
At 30 September 2014 (Audited) and 1 October 2014 (Audited)	–	–	–	–	–	–
Charged to consolidated statement of profit or loss (note 6)	–	–	–	(381)	–	(381)
At 30 September 2015 (Unaudited)	–	–	–	(381)	–	(381)

Up until the disposal date of the PGH group of companies on 30 May 2014, the majority of the Group's deferred tax assets related to temporary difference originating in its UK subsidiaries. Such deferred tax balances were provided at 20%.

During the current period, deferred tax liabilities related to the undistributed earnings of the Group's associate which were provided at 20% (2014: 20%).

At the reporting date, based on the estimation of future profit streams, the Group has unrecognised gross deferred tax assets (before applying tax rates prevailing in the respective jurisdictions) in respect of unused tax losses available for offset against future profits in continuing operations, analysed as follows:

	30 September 2015 HK\$'000 (Unaudited)	30 September 2014 HK\$'000 (Audited)
Unused tax losses	130,481	108,879

The Group records deferred tax assets in respect of tax losses only where there is a reasonable expectation that these tax losses will be utilised in the foreseeable future. Based on forecast income streams and having considered potential future earnings volatility, the Group does not anticipate the utilisation of any significant portion of these unrecognised tax losses or the material reversal of the other deferred tax temporary differences in the foreseeable future. As at 30 September 2015 and 30 September 2014, the tax losses solely arise in Hong Kong and can be carried forward indefinitely.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 20. SHARE CAPITAL

	30 September 2015 (Unaudited)		30 September 2014 (Audited)	
	Number of shares	Amount HK\$'000	Number of shares	Amount HK\$'000
Ordinary shares of HK\$0.10 each Authorised: At 1 October and 30 September	<b>1,500,000,000</b>	<b>150,000</b>	1,500,000,000	150,000
Issued and fully paid:				
At 1 October	<b>1,160,871,287</b>	<b>116,087</b>	1,007,443,153	100,744
Subscription of shares	—	—	147,428,134	14,743
Share options exercised	<b>7,500,000</b>	<b>750</b>	6,000,000	600
Debt conversion rights exercised	<b>163,336,303</b>	<b>16,334</b>	—	—
At 30 September	<b>1,331,707,590</b>	<b>133,171</b>	1,160,871,287	116,087

### 21. RELATED PARTY TRANSACTIONS

The remuneration of the Directors and other members of key management during the period was as follows:

	Twelve months ended 30 September	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Audited)
Basic salaries and allowances, bonuses and benefits in kind	<b>2,847</b>	6,035
Mandatory provident fund contribution	<b>18</b>	32
	<b>2,865</b>	6,067

Eclipse Magnetics Limited, which was until 30 May 2014, a subsidiary undertaking of the Company, purchases manufactured products directly from Ningbo Hi-tech Assemblies Co. Ltd. ("Ningbo Hi-tech"), a company in which the Group has a 25% interest. For the year ended 30 September 2014, goods to the value of HK\$25,016,000 were purchased from Ningbo Hi-tech.

On 8 February 2014, the Company entered into a disposal agreement with two purchasers, both wholly owned by Mr. Simon Hsu Nai-Cheng, who was an executive director of the Company, to dispose of its entire interests in PHL and PGH at a total consideration of US\$25 million. The completion of the disposal took place on 30 May 2014.

## NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the twelve months ended 30 September 2015

### 21. RELATED PARTY TRANSACTIONS *(Continued)*

On 8 February 2014, Rise Up International Limited, a wholly owned subsidiary of the Company, entered into an acquisition agreement to acquire approximately 28.84% of the total issued share capital of Yuji, a company indirectly owned by an associate of Ms. Kelly Lee, the director of the Company. The acquisition, settled by the Company's shares valued at HK\$95.8 million, was completed on 8 April 2014.

Up until 30 May 2014, the Group operated a contributory defined benefit pension plan covering certain of its employees in its then UK based subsidiaries of Spear & Jackson Limited and Bowers Group Limited (the "Plan"). The Group pays contributions to the Plan each year according to a schedule of contributions agreed between the Plan trustees and the Group. Full details of the contribution paid by the Group to the Plan during the year ended 30 September 2014 were disclosed in note 33 of the Company's 2014 annual report.

On 19 August 2014, Alford Industries Limited ("Alford"), a wholly owned subsidiary of the Company, entered into a management agreement (the "Management Agreement") with a management company (the "Management Company") that the Management Company will manage the business of Alford and its subsidiary (hereinafter collectively referred to as the "Alford Group"). The sole shareholder of the Management Company is Mr. Simon Hsu Nai-Cheng, who within a period of 12 months from the date of Management Agreement resigned as an executive director of the Company. As set out in the Management Agreement, the management fee for the year ended 30 September 2015 shall be zero if the consolidated net profit after tax of Alford Group for the year ended 30 September 2015 does not meet the target profit amount. No management fee was provided for the twelve months ended 30 September 2015.

Other than the disclosures above, the Group has not entered into any other related party transactions.

### 22. OPERATING LEASE COMMITMENTS

The Group as Lessee

At the reporting date, the Group had commitments for future minimum lease payments under non-cancelable operating leases in respect of rented premises which fall due as follows:

	<b>30 September 2015 HK\$'000 (Unaudited)</b>	30 September 2014 HK\$'000 (Audited)
Operating leases which expire:		
Within one year	<b>2,521</b>	1,979
In the second to fifth years inclusive	<b>1,954</b>	807
	<b>4,475</b>	2,786

Operating lease payments represent rentals payable by the Group for its office properties and factories. The leases run for an initial period of 1 to 2 years (30 September 2014: 1 to 2 years), with an option to renew the leases and renegotiate the terms at the expiry date or dates as mutually agreed between the Group and the respective landlords. None of the leases contain contingent rentals.

### 23. MATERIAL NON-CASH TRANSACTION

On 30 September 2015, the convertible bonds with principal amount of HK\$77,000,000 were fully converted into 163,336,303 ordinary shares of the Company of HK\$0.10 each at conversion price of HK\$0.47142 per share.

# OTHER INFORMATION

## INTERIM DIVIDEND

The Board does not declare an interim dividend for the twelve months ended 30 September 2015 (year ended 30 September 2014: Nil).

## DIRECTORS' INTERESTS IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at 30 September 2015, the interests of the Directors of the Company and their associates in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance of Hong Kong (the "SFO")) which are required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they have taken or are deemed to have taken under such provisions of the SFO) or which are required, pursuant to section 352 of the SFO, to be entered into the register referred to therein, or which are required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange, to be notified to the Company and the Stock Exchange, were as follows:

### Long Positions

#### (i) Interests in the Company

Name of directors	Capacity/Nature of interest	Number of ordinary shares held	Percentage interest in the Company's issued shares as at 30 September 2015
Ms. Kelly Lee <sup>1</sup>	Beneficiary of a discretionary trust	281,313,309	21.12%
Mr. Sun Jih-Hui <sup>2</sup>	Interests in controlled corporation/ Corporate interest	163,336,303	12.27%

Notes:

1. Since 30 September 2015, such discretionary trust has undergone restructuring resulting in Ms. Kelly Lee no longer deemed to be interested in the said trust pursuant to Part XV of the SFO.
2. These shares are held by Kingage International Limited ("Kingage") which is wholly owned by Mr. Sun Jih-Hui.



## OTHER INFORMATION

### DIRECTORS' INTERESTS IN THE SECURITIES OF THE COMPANY AND ITS ASSOCIATED CORPORATION *(Continued)*

(ii) *Interests in an associated corporation*

Name of associated corporation	Name of director	Capacity/Nature of interest	Number of shares of associated corporation	Issued shares of associated corporation as at 30 September 2015	Percentage of the associated corporation's issued shares as at 30 September 2015
Yuji Development Corporation	Dato' Choo Chuo Siong (Note)	Interests in controlled corporation/ Corporate interest	26,222,056	181,294,000	14.46%
	Sun Jih-Hui	Beneficial owner/ Beneficial interest	38,000	181,294,000	0.02%
		Interests of spouse/ Family interest	24,000	181,294,000	0.01%

Note:

Dato' Choo Chuo Siong holds 100% direct interest in Sino Market Global Limited ("Sino Market") and is accordingly deemed to have interest in the shares of Yuji Development Corporation interested by Sino Market.

Other than as disclosed above, and except for nominee shares in a subsidiary held in trust for the Group at 30 September 2015, neither the Directors, nor any of their associates, had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations.

**SUBSTANTIAL SHAREHOLDERS' INTERESTS**

As at 30 September 2015, the interests or short positions of those persons (other than Directors whose interests disclosed above) in the ordinary shares or underlying ordinary shares of the Company as recorded in the register required to be kept pursuant to Section 336 of the SFO were as follows:

**Long Positions**

<b>Name of shareholders</b>	<b>Capacity/Nature of Interest</b>	<b>Number of ordinary shares held</b>	<b>Percentage interest in the Company's issued shares as at 30 September 2015</b>
Best Service Holdings Limited ("Best Service")	Beneficial owner/Beneficial interest	281,313,309	21.12%
Ever Team Global Limited ("Ever Team") <sup>1</sup>	Interests of controlled corporation/ Corporate interest	281,313,309	21.12%
The Goldenlife PTC Limited ("Goldenlife") <sup>1</sup>	Interests of controlled corporation/ Other interest	281,313,309	21.12%
Kingage	Beneficial owner/Beneficial interest	163,336,303	12.27%
Ms. Chou Chi-Chin <sup>2</sup>	Interests of spouse/Family interest	163,336,303	12.27%

Notes:

- Goldenlife, as trustee of a discretionary trust, holds 100% direct interest in Ever Team and is accordingly deemed to have interest in the ordinary shares interested by or deemed to be interested by Ever Team for the purpose of Part XV of the SFO. The founder of the said trust is Mr. Lee Shih-Tsung. Ever Team holds 100% direct interest in Best Service and is accordingly deemed to have an interest in the ordinary shares interested by Best Service for the purpose of Part XV of the SFO.
- Ms. Chou Chi-Chin, being the spouse of Mr. Sun Jih-Hui who wholly owns Kingage, is accordingly deemed to have interest in the ordinary shares interested by or deemed to be interested by Mr. Sun Jih-Hui for the purpose of Part XV of the SFO.

Save as disclosed above, as at 30 September 2015, the Company has not been notified of any other interests or short positions in the ordinary shares and underlying ordinary shares of the Company which had been recorded in the register required to be kept under section 336 of the SFO.

## OTHER INFORMATION

### SHARE OPTIONS AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At a special general meeting of the Company held on 30 August 2004, a share option scheme (the "2004 Scheme") was adopted by the Company in which the Board is authorised to grant options to eligible Directors and employees of the Company and its subsidiaries (the "Group"), to subscribe for shares in the Company.

Details of the movements of options outstanding during the period which have been granted under the 2004 Scheme, are as follows:

Name	Date of grant	Exercise price per share HK\$	As at 1 October 2014	Granted during the period	Exercised during the period	Cancelled/ lapsed during the period	Outstanding as at 30 September 2015
Mr. Simon Hsu Nai-Cheng <sup>1,4</sup>	18 June 2012	0.313	4,500,000	–	(4,500,000)	–	–
Mr. Henry Woon-Hoe Lim <sup>2,4</sup>	18 June 2012	0.313	3,000,000	–	(3,000,000)	–	–
			7,500,000	–	(7,500,000)	–	–

Notes:

1. Mr. Simon Hsu Nai-Cheng resigned as director of the Company on 30 May 2014.
2. Mr. Henry Woon-Hoe Lim resigned as director of the Company on 1 October 2014.
3. The options granted on 18 June 2012 were subject to vesting in 3 equal tranches on the first, second and third anniversary date of the grant and which had been fully vested on 18 June 2015. The options granted are exercisable subject to the vesting conditions for a period not exceeding ten years up to 17 June 2022.
4. In view of the above ex-directors' contribution to the Company, on 10 April 2014, in accordance with the provisions of the 2004 Scheme, the board of directors, at its discretion, determined to allow Mr. Simon Hsu Nai-Cheng and Mr. Henry Woon-Hoe Lim to exercise the whole of unexercised options and the unvested options to which they are entitled within twelve months commencing on the date of resignation of their office as directors respectively, and upon expiry of such period, the options granted to them shall lapse.

Save as disclosed above, no options were granted, exercised, cancelled or lapsed during the period.

Other than as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### **REPURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

The Company has not repurchased, sold or redeemed any of the Company's listed securities during the period under review.

### **CORPORATE GOVERNANCE CODE**

The Company has adopted all the code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules. Throughout the period under review, the Company complied with all applicable code provisions of the CG Code.

### **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct governing Directors' securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they had complied with the required standards set out in the Model Code throughout the period under review.

### **AUDIT COMMITTEE**

The audit committee of the Company (the "Audit Committee") comprises of three independent non-executive Directors, namely Ms. Hu Gin Ing (Chairman), Dr. Wong Ho Ching and Mr. Lan Yen-Po.

This Interim Financial Statements for the twelve months ended 30 September 2015 have been reviewed by the Audit Committee, who are of the opinion that these interim results comply with applicable accounting standards and legal requirements, and that adequate disclosure have been made.

### **CHANGE OF FINANCIAL YEAR END DATE**

As announced on 5 November 2015, the Board resolved to change the financial year end date of the Company from 30 September to 31 December as to align with the financial year end date of the Company's principal operating subsidiary which is incorporated in the PRC and its accounts are statutorily required to be closed with the financial year end date of 31 December. Accordingly, the next financial year end date of the Company will be 31 December 2015.

### **CHANGES IN DIRECTOR'S BIOGRAPHICAL DETAILS**

Changes in director's biographical details since the Interim Report issued on 14 May 2015, which are required to be disclosed pursuant to Rule 13.51(B) of the Listing Rules, are set out below.

Ms. Hu Gin Ing, an independent non-executive director of the Company, has ceased to be an independent director of Arich Enterprise Co. Ltd., a company listed on the Taiwan Stock Exchange Corporation (stock code: 4173) upon the expiration of her term of appointment on 18 June 2015.

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Director:

Ms. Kelly Lee  
*(Deputy Chairman and Chief Executive Officer)*

### Non-executive Directors:

Dato' Choo Chuo Siong *(Chairman)*  
Mr. Sun Jih-Hui

### Independent Non-executive Directors:

Dr. Wong Ho Ching  
Mr. Lan Yen-Po  
Ms. Hu Gin Ing

## AUDIT COMMITTEE

Ms. Hu Gin Ing *(Chairman)*  
Dr. Wong Ho Ching  
Mr. Lan Yen-Po

## REMUNERATION COMMITTEE

Ms. Hu Gin Ing *(Chairman)*  
Dr. Wong Ho Ching  
Mr. Lan Yen-Po

## NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

Dr. Wong Ho Ching *(Chairman)*  
Mr. Lan Yen-Po  
Ms. Hu Gin Ing

## REGISTERED OFFICE

Clarendon House  
2 Church Street, Hamilton HM11, Bermuda

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 503C, 5/F Golden Centre  
188 Des Voeux Road Central, Hong Kong  
Tel: (852) 2802 9988, Fax: (852) 2802 9163  
Websites: [www.upi.com.hk](http://www.upi.com.hk),  
[www.irasia.com/listco/hk/upi](http://www.irasia.com/listco/hk/upi)

## PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited  
Hang Seng Bank Limited

## BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Services Limited  
Clarendon House  
2 Church Street, Hamilton HM11, Bermuda

## HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited  
Level 22, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## AUDITOR

BDO Limited

## COMPANY SECRETARY

Ms. Chan Wing Yi



**United Pacific  
Industries**  
聯太工業

Tel : (852) 2802 9988 Fax : (852) 2802 9163

Websites: [www.upi.com.hk](http://www.upi.com.hk), [www.irasia.com/listco/hk/upi](http://www.irasia.com/listco/hk/upi)