

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.



U-RIGHT INTERNATIONAL HOLDINGS LIMITED

佑威國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00627)

ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

The board (the “Board”) of directors (the “Directors”) of U-RIGHT International Holdings Limited (the “Company”) announces that the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 March 2015, together with the comparative figures for the corresponding year ended 31 March 2014 as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME**

For the year ended 31 March 2015

	<i>Notes</i>	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Revenue	3	502,609	334,600
Cost of sales		<u>(477,234)</u>	<u>(289,625)</u>
Gross profit		25,375	44,975
Other income	4	238	487
Selling and distribution costs		(7,337)	(10,695)
Administrative expenses		<u>(11,473)</u>	<u>(17,301)</u>
Profit from operations		6,803	17,466
Finance cost	6	–	(909)
Restructuring costs		–	(19,831)
Impairment on goodwill		(3,000)	–
Gain on debts discharged under the Scheme of Arrangement	7	–	1,403,594
Gain on disposal of a subsidiary	8	–	148,182
Profit before tax		3,803	1,548,502
Income tax expense	9	<u>(2,357)</u>	<u>(4,159)</u>
Profit for the year	10	1,446	1,544,343
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		613	608
Fair value changes of available-for-sale financial assets		<u>(446)</u>	–
Total comprehensive income for the year		<u>1,613</u>	<u>1,544,951</u>
Profit for the year attributable to:			
Owners of the Company		1,344	1,543,182
Non-controlling interests		<u>102</u>	<u>1,161</u>
		<u>1,446</u>	<u>1,544,343</u>
Total comprehensive income for the year attributable to:			
Owners of the Company		1,488	1,543,736
Non-controlling interests		<u>125</u>	<u>1,215</u>
		<u>1,613</u>	<u>1,544,951</u>
Earning per share attributable to owners of the Company	11		
Basic (HK cents per share)		<u>0.1</u>	<u>204</u>
Diluted (HK cents per share)		<u>0.1</u>	<u>192</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2015

	<i>Notes</i>	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment	<i>13</i>	2,844	997
Investment properties		8,711	–
Available-for-sale financial assets		3,550	–
Goodwill		11,202	14,202
		<u>26,307</u>	<u>15,199</u>
Current assets			
Inventories	<i>14</i>	16,963	14,029
Trade receivables	<i>15</i>	83,893	54,649
Prepayments, deposits and other receivables	<i>16</i>	28,949	30,974
Bank and cash balances		23,984	79,215
		<u>153,789</u>	<u>178,867</u>
Current liabilities			
Trade payables	<i>17</i>	15,060	32,212
Accruals and other payables		5,191	4,082
Current tax liabilities		10,903	10,443
		<u>31,154</u>	<u>46,737</u>
Net current assets		<u>122,635</u>	<u>132,130</u>
NET ASSETS		<u>148,942</u>	<u>147,329</u>
Capital and reserves			
Share capital	<i>18</i>	13,217	13,217
Reserves		131,079	129,591
Equity attributable to owners of the Company		144,296	142,808
Non-controlling interests		4,646	4,521
TOTAL EQUITY		<u>148,942</u>	<u>147,329</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2015

1. GENERAL INFORMATION

U-RIGHT International Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of business is 21/F., Bank of China Tower, 1 Garden Road, Central, Hong Kong. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

At the request of the Company, trading in shares of the Company in the Stock Exchange had been suspended since 15 April 2015.

The Company is an investment holding company. The Group’s principal activities are trading and retailing of fashion garments, textiles and leathers, trading of construction materials and property investment.

In the opinion of the directors (the “Directors”) of the Company, as at the 31 March 2015, Advance Lead International Limited (the “Investor” and now the “Controlling Shareholder”) a company incorporated in the British Virgin Islands, is the ultimate holding company. The Controlling Shareholder does not produce financial statements available for public use.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 April 2014. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

3. REVENUE

Revenue represents the invoiced value of goods sold, less value-added tax, goods returns and trade discounts and property rental income during the year are as follow:

	2015	2014
	HK\$’000	HK\$’000
Sales of goods	502,417	334,600
Property rental income	192	–
	502,609	334,600

4. OTHER INCOME

	2015 HK\$'000	2014 <i>HK\$'000</i>
Interest income	26	144
Fair value gain on investment properties	22	–
Net foreign exchange gain	188	–
Reimbursement of restructuring expenses from the controlling shareholder	–	331
Others	2	12
	<hr/> 238 <hr/>	<hr/> 487 <hr/>

5. OPERATING SEGMENT INFORMATION

The Group has three reportable segments as follows:

Garment	—	Trading and retailing of fashion garments, textiles and leathers
Construction materials	—	Trading of construction materials
Property investment	—	Rental of commercial properties

- (a) Segment profits or losses do not include interest income on bank deposits, gain on disposal of subsidiaries, gain on debts discharged under the Scheme of Arrangement, central administration costs, directors' salaries, finance costs and impairment on goodwill. Segment assets do not include available-for-sale financial assets and bank and cash balances. Segment liabilities do not include certain accruals and other payables.

Information about reportable segment profit or loss, assets and liabilities are summarised as follow:

	Garment <i>HK\$'000</i>	Construction materials <i>HK\$'000</i>	Property investment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 March 2015				
Revenue from external customers	<u>312,318</u>	<u>190,099</u>	<u>192</u>	<u>502,609</u>
Segment result	8,857	2,303	99	11,259
Interest income on bank deposits				26
Unallocated expenses				<u>(4,482)</u>
Profit from operations				6,803
Impairment on goodwill				<u>(3,000)</u>
Profit before tax				3,803
Income tax expense				<u>(2,357)</u>
Profit for the year				<u>1,446</u>
Depreciation and amortisation	684	5	–	689
Additions to segment non-current assets	<u>2,510</u>	<u>14</u>	<u>8,655</u>	<u>11,179</u>
As at 31 March 2015				
Segment assets	109,863	35,334	8,898	154,095
Unallocated assets				<u>26,001</u>
				<u>180,096</u>
Segment liabilities	(29,097)	(1,188)	(127)	(30,412)
Unallocated liabilities				<u>(742)</u>
				<u>(31,154)</u>

	Garment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 March 2014		
Revenue from external customers	<u>334,600</u>	<u>334,600</u>
Segment result	20,207	20,207
Interest income on bank deposits		144
Unallocated income and gains		331
Unallocated expenses		<u>(3,216)</u>
Profit from operations		17,466
Finance cost		(909)
Restructuring costs		(19,831)
Gain on debts discharged under the Scheme of Arrangement		1,403,594
Gain on disposal of a subsidiary		<u>148,182</u>
Profit before tax		1,548,502
Income tax expense		<u>(4,159)</u>
Profit for the year		<u>1,544,343</u>
Depreciation and amortisation	684	684
Additions to segment non-current assets	<u>454</u>	<u>454</u>
As at 31 March 2014		
Segment assets	114,797	114,797
Unallocated assets		<u>79,269</u>
		<u>194,066</u>
Segment liabilities	(46,034)	(46,034)
Unallocated liabilities		<u>(703)</u>
		<u>(46,737)</u>

(b) Geographical information:

The Group's revenue analysed by geographical location and information about its non-current assets by geographical location are detailed below:

	Revenue		Non-current assets	
	Year ended 31 March		As at 31 March	
	2015	2014	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Hong Kong	–	–	3,550	–
Mainland China	287,745	212,940	22,757	15,199
The Philippines	18,305	1,939	–	–
Italy	1,938	–	–	–
United Arab Emirates	194,621	119,721	–	–
Consolidated total	<u>502,609</u>	<u>334,600</u>	<u>26,307</u>	<u>15,199</u>

In presenting the geographical information, revenue is based on the locations of the customers.

(c) Information about major customers

Revenue from customer of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	Year ended 31 March	
	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Construction materials segment		
Customer a	<u>97,210</u>	<u>–</u>

6. FINANCE COST

	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interest expenses on borrowings wholly repayable within five years		
— promissory note	<u>–</u>	<u>909</u>
	<u>–</u>	<u>909</u>

7. GAIN ON SCHEME OF ARRANGEMENT

On 18 September 2013, all the conditions under the Scheme had been fulfilled, the indebtedness of the Company was fully released and discharged by way of a combination of cash payment of approximately HK\$56,907,000 and issuance of 66,133,333 Company's shares at HK\$0.15 per share.

	2014 HK\$'000
Debts discharged:	
Financial guarantee liabilities	1,118,325
Convertible notes	78,367
Due to deconsolidated subsidiaries	268,188
Accruals and other payables	5,541
	<u>1,470,421</u>
Satisfied by:	
Cash consideration	(56,907)
Issue of shares to creditors	(9,920)
	<u>(66,827)</u>
Gain on Scheme of Arrangement	<u><u>1,403,594</u></u>

8. GAIN ON DISPOSAL OF A SUBSIDIARY

On 18 September 2013, the Group fulfilled all the conditions under the Scheme pursuant to which the entire interest of Lucky Formosa International Group Limited ("Lucky Formosa"), a wholly owned subsidiary of the Company, was transferred to the nominee of the scheme administrators of the Scheme of Arrangement.

	Lucky Formosa HK\$'000
Net liabilities of the subsidiary disposed:	
Accruals and other payables	(42)
Due to deconsolidated subsidiaries	(148,140)
Due to the Group	(113,201)
	<u>(261,383)</u>
Net liabilities of the disposed subsidiary	(261,383)
Impairment of amount due from the Lucky Formosa	113,201
	<u>(148,182)</u>
Gain on disposal of a subsidiary	<u><u>(148,182)</u></u>
Total consideration satisfied by cash	<u><u>–</u></u>
Net cash effect arising on disposal of a subsidiary	<u><u>–</u></u>

9. INCOME TAX EXPENSE

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Current tax — Hong Kong Profits Tax		
Provision for the year	648	414
Current tax — the PRC Enterprise Income Tax		
Provision for the year	1,709	3,745
	2,357	4,159

Hong Kong profits tax is calculated at 16.5% (2014: 16.5%) of the estimated assessable profits for the year. Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of subsidiaries of the Company in the PRC is 25% for both years.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The reconciliation between the income tax and profit before tax multiplied by the Hong Kong profits tax rate is as follows:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Profit before tax	3,803	1,548,502
Tax at the domestic income tax rate of 16.5% (2014: 16.5%)	627	255,503
Tax effect of expenses that are not deductible/ (income that is not taxable)	1,143	(252,134)
Effect of different tax rates of subsidiaries operating in other jurisdictions	587	790
	2,357	4,159

10. PROFIT FOR THE YEAR

The Group's profit for the year is stated after charging/(crediting) the following:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Cost of sales	477,234	289,625
Depreciation	689	684
Impairment on inventories	–	1
Staff costs (including Directors' remuneration):		
— salaries, bonuses and allowances	6,540	8,423
— retirement benefits scheme contributions	648	835
	7,188	9,258
Auditor's remuneration	750	700
Net foreign exchange (gain)/loss	(188)	58
Operating lease charges on land and buildings	1,959	2,053

11. EARNING PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic earning per share

The calculation of basic earning per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately HK\$1,344,000 (2014: HK\$1,543,182,000) and the weighted average number of ordinary shares of 1,321,682,525 (2014: 755,977,681) in issue during the year. The weighted average number of ordinary shares for the year ended 31 March 2014 for the purpose of calculating the basic earnings per share has been adjusted for the share consolidation, bonus issue and open offer of the Company during the last year.

Diluted earning per share

The diluted earnings per share are the same as the Company did not have any dilutive potential ordinary sharing during the year ended 31 March 2015.

For the year ended 31 March 2014, the calculation of diluted earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately HK\$1,464,815,000 and the weighted average number of ordinary shares of 763,591,278, being the weighted average number of ordinary shares of 755,977,681 in issue during the year used in the basic earnings per share calculation plus the weighted average number of ordinary shares of 7,613,597 assumed to converted of the convertible notes outstanding at 1 April 2013.

12. DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the years ended 31 March 2015 and 2014.

13. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings <i>HK\$'000</i>	Machinery <i>HK\$'000</i>	Motor vehicle <i>HK\$'000</i>	Leasehold improvement <i>HK\$'000</i>	Furniture, fixtures and equipment <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost:						
At 1 April 2013	–	69	426	718	514	1,727
Additions	–	–	–	392	62	454
Exchange differences	–	1	7	12	9	29
At 31 March 2014 and 1 April 2014	–	70	433	1,122	585	2,210
Additions	2,164	–	–	274	86	2,524
Exchange differences	9	–	2	7	3	21
At 31 March 2015	2,173	70	435	1,403	674	4,755
Accumulated depreciation:						
At 1 April 2013	–	36	99	155	230	520
Charge for the year	–	13	103	437	131	684
Exchange differences	–	1	2	2	4	9
At 31 March 2014 and 1 April 2014	–	50	204	594	365	1,213
Charge for the year	51	13	109	419	97	689
Exchange differences	–	–	1	6	2	9
At 31 March 2015	51	63	314	1,019	464	1,911
Carrying amount:						
At 31 March 2015	2,122	7	121	384	210	2,844
At 31 March 2014	–	20	229	528	220	997

14. INVENTORIES

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Merchandises	16,963	14,030
Less: Impairments	–	(1)
	<u>16,963</u>	<u>14,029</u>

15. TRADE RECEIVABLES

Other than cash sales, invoices are normally payable within 30 to 90 days of issuance. Trade receivables are recognised and carried at their original invoiced amounts less allowance for impairment when collection of the full amount is no longer probable. Bad debts are written off as incurred.

At the end of the reporting period, the aging analysis of the trade receivables is as follows:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
1–30 days	43,176	25,358
31–60 days	23,954	1,492
61–90 days	13,018	24,747
91–120 days	1,227	2,172
Over 120 days	2,518	880
Less: Impairments	–	–
	83,893	54,649

At the end of the reporting period, the trade receivables with the carrying amounts of approximately HK\$3,745,000 (2014: HK\$3,052,000) were past due but not impaired. Approximately HK\$1,227,000 and HK\$2,518,000 (2014: HK\$2,172,000 and HK\$880,000) of which were falling within the ageing band from 91 to 120 days and over 120 days respectively.

The gross amounts of the Group's trade receivables were denominated in the following currencies:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
USD	30,765	28,233
RMB	53,128	26,416
	83,893	54,649

16. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Deposit	5,200	6,467
Prepayments	269	121
Amounts due from non-controlling shareholders of a subsidiary (<i>note</i>)	18,936	19,479
Other receivables	4,544	4,907
	28,949	30,974

Note: The advance is unsecured, interest-free and has no fixed repayment terms

17. TRADE PAYABLES

At the end of the reporting period, the ageing analysis of the trade payables is as follows:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
1–30 days	1,222	19,993
31–60 days	10,583	1,465
61–90 days	1,109	8,889
91–120 days	1,016	1,865
Over 120 days	1,130	–
	<u>15,060</u>	<u>32,212</u>

The carrying amounts of the Group's trade payables were denominated in the following currencies:

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
USD	10,583	13,665
RMB	4,477	18,547
	<u>15,060</u>	<u>32,212</u>

18. SHARE CAPITAL

	2015 <i>HK\$'000</i>	2014 <i>HK\$'000</i>
Authorized: 50,000,000,000 ordinary shares of HK\$0.01 each	<u>500,000</u>	<u>500,000</u>
Issued and fully paid: 1,321,682,525 ordinary shares of HK\$0.01 each	<u>13,217</u>	<u>13,217</u>

A summary of the movements in the issued share capital of the Company is as follows:

	Number of shares issued	Nominal value of shares issued HK\$'000
At 1 April 2013	3,569,364,916	356,936
Capital restructuring (<i>Note (i)</i>)	(3,533,671,267)	(356,579)
	35,693,649	357
Share subscription (<i>Note (ii)</i>)	970,000,000	9,700
Open offer (<i>Note (iii)</i>)	178,468,245	1,785
Issue of shares to creditors (<i>Note (iv)</i>)	66,133,333	661
Issue of bonus shares (<i>Note (v)</i>)	71,387,298	714
	1,321,682,525	13,217

Notes:

- (i) There was a capital restructuring of the Company effected on 23 August 2013 which comprised the following:

Share Consolidation

The share consolidation was implemented to consolidate every 100 issued Shares of par value of HK\$0.10 each into 1 Consolidated Share of par value of HK\$10.00 each.

Capital reduction

The capital reduction involved a reduction of the par value of every Consolidated Share from HK\$10.00 to HK\$0.01 and become a New Share.

Share Subdivision

The share subdivision was implemented to subdivide each of the authorized but unissued Shares into ten Subdivided Shares of par value of HK\$0.01 each.

- (ii) Share subscription

Completion of the share subscription took place on 18 September 2013 pursuant to which 970,000,000 subscription shares were issued to the Investor at the subscription price of HK\$0.15 per subscription share with par value of HK\$0.01 each. Accordingly, the Company's issued share capital was increased by HK\$9,700,000 and its share premium account was increased by HK\$135,800,000.

(iii) Open offer

Completion of the open offer took place on 18 September 2013 pursuant to which 178,468,245 offer shares were issued under the open offer on the basis of five offer shares for every one share held by the qualifying shareholders after completion of the capital restructuring at the subscription price of HK\$0.15 per offer share with par value of HK\$0.01 each. Accordingly, the Company's issued share capital was increased by approximately HK\$1,785,000 and its share premium account was increased by approximately HK\$24,986,000. The transaction costs related to the open offer was approximately HK\$669,000.

(iv) Issue of shares to creditors

Pursuant to the Scheme of Arrangement as detailed in note 7, 66,133,333 Company's shares were issued to the nominee of the scheme administrators of the Scheme of Arrangement. Accordingly, the Company's share capital was increased by approximately HK\$661,000 and its share premium account was increased by approximately HK\$9,259,000.

(v) Issue of bonus shares

On 18 September 2013, 71,387,298 offer shares were issued under the bonus issue on the basis of two bonus shares for every one share held by the qualifying shareholders after completion of the capital restructuring. The Open Offer allows the Company to credit part of the net proceeds raised from the Open Offer in the sum of approximately HK\$714,000 to the share premium account of the Company and apply such amount to pay up in full at par the Bonus Shares such that the Bonus Shares will be allotted, issued and credited as fully paid to the Qualifying Shareholders. Accordingly, the Company's issued share capital was increased by approximately HK\$714,000 and its share premium account was decreased by approximately HK\$714,000.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, buy-back shares, raise new debts, redeem existing debts or sell assets to reduce debts. No changes were made in the objectives, policies or processes during the years ended 31 March 2015 and 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the year ended 31 March 2015, the Group continued to engage in operating with distinctive business lines of wholesale of garments and retail of fashion garments covering men, women and children's wear. In addition, the Group successfully extended its trading business to the trading of construction materials and became a new reportable segment during the year. The Group recorded a turnover of approximately HK\$502.6 million (31 March 2014: approximately HK\$334.6 million), and achieved profit from operations of approximately HK\$6.8 million, representing a decrease of 61.1% from the last year (31 March 2014: approximately HK\$17.5 million). Profit attributable to the owners of the Company for the year ended 31 March 2015 amounted to approximately HK\$1.3 million (31 March 2014: approximately HK\$1,543.2 million). The said decrease in profit attributable to the owners of the Company was mainly attributable to the absence of the one off gain of approximately HK\$1,404 million on the settlement of all the debts of the Company upon completion of the debt restructuring recognised in last year. Basic earnings per share decreased from HK\$2.04 for the year ended 31 March 2014 to HK\$0.001 for the year ended 31 March 2015. Due to the weak domestic garment market and the emergence of internet retail business in China, the Group experienced a decline in its garment retail business. In light of the weakened market, the Group has been consolidating its garment retail business segment by channeling resources to U-RIGHT branded products and phasing out/scaling down other garment retail brands to strengthen competitiveness of the business. Although the trading business of the Group has grown rapidly, due to the lower profit margin of the trading business as compared with that of the garment retail business, the Group experienced a decline in its gross profit margin from 13.4% in last year to 5.0% in current year.

DIVIDEND

The Directors do not recommend the payment of final dividend for the year ended 31 March 2015 (2014: nil).

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 March 2015, the Group had total assets of approximately HK\$180,096,000 (31 March 2014: approximately HK\$194,066,000), comprising bank and cash balances of approximately HK\$23,984,000 (31 March 2014: approximately HK\$79,215,000). The Group's current ratio, calculated as current assets of approximately HK\$153,789,000 (31 March 2014: approximately HK\$178,867,000) over current liabilities of approximately HK\$31,154,000 (31 March 2014: approximately HK\$46,737,000), improved to 4.94 as at 31 March 2015 (31 March 2014: 3.83).

Foreign currency management

Most of the Group's transactions, assets and liabilities are principally denominated in Hong Kong dollars and Renminbi, which are the functional currencies of the Group entities. Therefore, the Group believes it faces minimal foreign currency risk and thus has not undertaken any hedging activities.

Capital commitment

The Group had capital commitments, which are contracted but not provided for, in respect of the capital contribution to two subsidiaries amounting to approximately HK\$55,287,000 as at 31 March 2015.

Pledged of Assets and Contingent Liabilities

The Group had no significant pledge of assets nor contingent liabilities as at 31 March 2015.

CAPITAL STRUCTURE

At the year ended 31 March 2015, the Company comprise of 1,321,682,525 issued shares with par value of HK\$0.01.

MATERIAL ACQUISITION, DISPOSAL AND SIGNIFICANT INVESTMENT

During the year under review, the Group has acquired five properties in the PRC. A property at consideration of approximately HK\$2.2 million is for its own use as retail shop and the remaining four properties at a total consideration of HK\$8.7 million have been used for investment purpose.

Save as disclosed, the Group did not have any material acquisition, disposal or investment for the year ended 31 March 2015.

EVENTS AFTER THE REPORTING PERIOD

At the request of the Company, trading in shares of the Company had been suspended since 15 April 2015.

On 14 April 2015, the Company and a vendor (the “Vendor”) who is a third party independent of the Company and its connected persons entered into an agreement (the “SP Agreement”) pursuant to which, the Company has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, the entire issued share capital of Vivalink Limited (the “Target Company”), together with its subsidiaries, and its shareholders’ loan to the Target Company (the “Acquisition”) for a total consideration of HK\$2,368,016,828, which will be satisfied by the issue of new shares and promissory note of the Company. The Target Company is an investment holding company incorporated in the British Virgin Islands with limited liability and the Target Group is principally engaged in commercial and residential property sale and development in the PRC. Pursuant to the SP Agreement and being the conditions precedent to the completion, the Board, among other things, proposed to procure one or more placing agents to place Placing Shares and convertible bonds of the Company (the “Share Placing and CB Placing”); and enter into one or more sale and purchase agreements to dispose one or more of the Company’s subsidiaries (the “Possible Disposals”). The Board is in the process of negotiating and finalising the terms of the placing agreements with placing agent(s) in respect of the Share Placing and CB Placing; and of the sale and purchase agreements with potential purchasers in respect of the Possible Disposals. Please refer to the Company’s announcements dated 24 April 2015 and 27 May 2015 for more details.

EMPLOYEES AND REMUNERATION POLICIES

At 31 March 2015, the Group had approximately 131 employees. For the year ended 31 March 2015, the total staff cost including the Directors’ emolument was approximately HK\$7,188,000. Remuneration of the employees is determined by reference to the market terms and commensurates with the level of pay for similar responsibilities within the industry. Discretionary year-end bonuses are payable to the employees based on individual performance. The Group provides benefits in accordance with the relevant laws and regulations including the Mandatory Provident Fund Scheme of Hong Kong.

PROSPECTS

The Group has been managing its businesses prudently since keen competition of the garment business and the construction material business has been exerting pressure on the performance on profit margins of the Group.

On 14 April 2015, the Company and the Vendor entered into the SP Agreement for the Acquisition, which the Company has conditionally agreed to acquire the Target. Pursuant to the SP Agreement and being one of the conditions precedent to the completion of the transactions contemplated under the SP Agreement, the Board would propose to enter into one or more sale and purchase agreements for the Possible Disposals.

Going forward, the Group is expected to continue the development of a steady trading business. Subject to the completion of the SP Agreement and the transactions contemplated thereunder (including the Possible Disposals), despite the impact of e-commerce and a slower economy on the garment business leading to a tough times ahead, the management shall strive to defend and maintain the current garment business operation.

At the same time, the management of the Group continues to explore business opportunities for additional value for shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2015.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has complied with the code provisions of the Code on Corporate Governance Practices (the "Code") as set out in Appendix 14 of the Listing Rules immediate after the resumption of trading of the Company, except for the deviation of A.4.1 of the Code. The Company has set up Nomination Committee, Remuneration Committee, and Audit Committee with adoption of relevant terms of reference pursuant to the Code.

Pursuant to A.4.1 of the Code, non-executive directors should be appointed for specific terms, subject to re-election. For the year ended 31 March 2015, all the existing independent non-executive Directors are not appointed for a specific term but are subject to retirement and re-election at the forthcoming annual general meeting of the Company (the "AGM") and retirement by rotation and re-election at least once every three years at the AGM in accordance with the provisions of the Company's Bye-laws.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the full set of Model Code set out in Appendix 10 of the Listing Rules as the code of the conduct for securities transactions by directors (the "Model Code"). The prohibitions on securities dealing and disclosure requirements in the Model Code apply to specified individuals including the Group's senior management and also persons who are privy to price sensitive information of the Group. Having made specific enquiry of all Directors, the Board confirmed that Directors of the Company had complied with the Model Code regarding directors' securities transactions during the year and up to the date of this announcement.

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) comprises three independent non-executive Directors, Mr. Chan Chi Yuen (the Chairman of the Audit Committee), Mr. Mak Ka Wing Patrick and Mr. Xie Tom. The primary duties of the Audit Committee are to (i) review the Group’s financial information; (ii) oversight of the Group’s financial reporting system and internal control procedures; and (iii) review and monitor the external auditor’s independence and objectivity. In addition, the Audit Committee discusses matters raised by the external auditor and regulatory bodies to ensure that appropriate recommendations are implemented. The Audit Committee shall meet at least twice a year.

The Audit Committee has reviewed with the management of the Company and the external auditor the annual results of the Group for the year ended 31 March 2015, and was of the opinion that the preparation of such results was in compliance with the relevant accounting standards, rules and regulations and that adequate disclosures have been made.

EXTRACT OF INDEPENDENT AUDITOR’S REPORT ON THE COMPANY’S CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

The Company’s auditor has qualified the report on the Group’s consolidated financial statements for the year ended 31 March 2015, an extract of which is as follows:

Basis for qualified opinion

Corresponding figures

Our audit opinion on the consolidated financial statements of the Group for the year ended 31 March 2014, which form the basis for the corresponding figures presented in the current year’s consolidated financial statements, was qualified because of the possible effect of the limitations on the scope of our audit, details of which are set out in our audit report dated 25 June 2014.

Any adjustments to the figures as described above might have a consequential effect on the Group’s results and cash flows for the year ended 31 March 2014, and the related disclosures thereof in the consolidated financial statements.

Qualified opinion

In our opinion, except for the possible effects on the corresponding figures of the matter as described in the basis for qualified opinion paragraphs, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 March 2015, and of its financial performance and cash flows of the Group for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

SCOPE OF WORK OF THE GROUP'S AUDITOR

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2015 have been agreed by the Group's auditors, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 March 2015. The work performed by ZHONGHUI ANDA CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by ZHONGHUI ANDA CPA Limited on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Stock Exchange's website (www.hkex.com.hk) and the Company's website (www.uright.com.hk). The annual report will be despatched to the shareholders and will be available on websites of the Stock Exchange and the Company in due course.

By Order of the Board
U-RIGHT International Holdings Limited
TANG Kwok Hung
Director

Hong Kong, 26 June 2015

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. TANG Kwok Hung and Mr. NG Cheuk Fan, Keith and three independent non-executive Directors, namely Mr. XIE Tom, Mr. MAK Ka Wing, Patrick and Mr. CHAN Chi Yuen.

* *For identification purposes only*