Z-Obee Holdings Limited
融達控股有限公司*

(Provisional Liquidators Appointed)

(incorporated in Bermuda with limited liability)

(Hong Kong Stock Code: 948)
(Singapore Stock Code: D5N)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

The board (the "Board") of directors (the "Directors") of Z-Obee Holdings Limited (Provisional Liquidators Appointed) (the "Company") announce the results (the "Results Announcement") of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 September 2015 (the "Reporting Period") with comparative figures of the corresponding period of last year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the period ended 30 September 2015

		Six months ended 30 September	
	Note	**2015** *US$* **(Audited)**	2014 *US$* (Unaudited)
Revenue	6	**592,519**	–
Cost of goods sold		**(489,956)**	–
Gross profit		**102,563**	–
Selling and distribution expenses		**(4,042)**	–
Administrative expenses		**(711,028)**	(816,212)
Other suspense account		**–**	(771,435)
Loss on deconsolidation		**–**	(22,019,728)
Impairment loss of prepayments, deposits and other receivables		**–**	(13,959,650)
Write off of inventories		**–**	(12,593,616)
Loss before tax	7	**(612,507)**	(50,160,641)
Income tax expense	8	**–**	–
Loss for the period attributable to owners of the Company		**(612,507)**	(50,160,641)
Loss per share attributable to owners of the Company			
Basic	9	**(0.08 cents)**	(6.58 cents)
Diluted	9	**(0.08 cents)**	(6.58 cents)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 September 2015

	Six months ended 30 September	
	2015	2014
	US$	*US$*
	(Audited)	(Unaudited)
Loss for the period	**(612,507)**	(50,160,641)
Other comprehensive income for the period:		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations	**–**	–
Other comprehensive income for the period, net of tax	**–**	–
Total comprehensive loss for the period attributable to owners of the Company	**(612,507)**	(50,160,641)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2015

	Note	**30 September 2015** *US$* **(Audited)**	31 March 2015 *US$* (Audited)
Non-current assets			
Property, plant and equipment		**–**	–
Goodwill		**–**	–
Intangible assets		**–**	–
Interest in an associate		**10,554,016**	10,554,016
Financial assets at fair value through profit or loss		**2,310,941**	2,310,941
Total non-current assets		**12,864,957**	12,864,957
Current assets			
Trade and factoring receivables	*10*	**67,561,829**	67,561,829
Prepayments, deposits and other receivables		**308,222**	–
Tax recoverable		**128,843**	128,843
Restricted bank balances		**2,132,107**	2,132,107
Cash and bank balance		**1,421,405**	778,732
Total current assets		**71,552,406**	70,601,511
Current liabilities			
Trade and bills payables	*11*	**1,251,045**	1,251,045
Accruals and other payables		**3,119,278**	2,841,224
Interest-bearing bank borrowings		**39,310,190**	39,310,190
Trust receipt loans		**39,877,541**	39,877,541
Other borrowings		**642,674**	–
Amount due to investor – Escrow account		**642,674**	–
Tax payables		**1,547**	1,547
Total current liabilities		**84,844,949**	83,281,547
Net current liabilities		**(13,292,543)**	(12,680,036)
NET (LIABILITIES)/ASSETS		**(427,586)**	184,921
EQUITY			
Equity attributable to owners of the Company			
Share capital		**6,101,500**	6,101,500
Reserves		**(6,529,086)**	(5,916,579)
TOTAL EQUITY		**(427,586)**	184,921

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2015

	Attributable to the owners of the Company						
	Share capital *US$*	**Share premium** *US$*	**Share-based payment reserve** *US$*	**Foreign currency translation reserve** *US$*	**Reserve funds** *US$*	**Accumulated loss** *US$*	**Total equity** *US$*
At 1 April 2014	6,101,500	70,605,619	52,241	6,223,798	1,933,855	(34,256,630)	50,660,383
Change in equity for 2014							
Loss for the period	–	–	–	–	–	(50,160,641)	(50,160,641)
Total comprehensive loss	–	–	–		–	(50,160,641)	(50,160,641)
As at 30 September 2014 (Unaudited)	6,101,500	70,605,619	52,241	6,223,798	1,933,855	(84,417,271)	499,742
As at 1 April 2015	6,101,500	70,605,619	52,241	6,223,798	1,933,855	(84,732,092)	184,921
Change in equity for 2015							
Loss for the period	–	–	–	–	–	(612,507)	(612,507)
Total comprehensive loss	–	–	–	–	–	(612,507)	(612,507)
At 30 September 2015 (Audited)	6,101,500	70,605,619	52,241	6,223,798	1,933,855	(85,344,599)	(427,586)

NOTES

1. GENERAL INFORMATION

The Company (Registration No. 39519) was incorporated in Bermuda on 30 January 2007 under the Companies Act 1981 of Bermuda as an exempted company with limited liability. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. Its principal place of business is located at Unit E, 26/F., Legend Tower, 7 Shing Yip Street, Kwun Tong, Kowloon, Hong Kong.

The Company is an investment holding company. The principal activities of its subsidiaries are a) provision of design and production solution services for mobile handset and computer tablets, b) assembly of mobile handset and computer tablets and surface mounting technology of printed circuit board, and c) distribution and marketing of mobile handset and its components and electronic components.

The Company's shares have been listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 21 November 2007 and 1 March 2010, respectively. Since 3 December 2010, 80,000,000 units of Taiwan Depositary Receipts ("TDRs"), comprising 40,000,000 new shares of the Company and 40,000,000 existing shares held by certain owners of the Company, have been listed on the Taiwan Stock Exchange Corporation (the "TWSE"). With effect from 14 June 2013, the Company converted its listing status on the SGX-ST to secondary listing whilst the primary listing status on the Main Board of the Stock Exchange remains unchanged.

2. STATEMENT OF COMPLIANCE

Except for the matters referred below, including the omission of disclosures as required under International Financial Reporting Standards (the "IFRSs"), Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the"Listing Rules"), these financial statements have been prepared in accordance with IFRSs, which collective term includes all applicable individual IFRSs, International Accounting Standards (the "IASs") and Interpretations issued by the International Accounting Standards Board ("IASB"), and the disclosure requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period, as permitted by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), continue to be those of the predecessor Hong Kong Companies Ordinance (Cap.32). These financial statements also comply with the applicable disclosure provisions of the Listing Rules.

The IASB has issued certain new and revised IFRSs which are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 4 provides information on any changes in accounting policies resulting from the initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

3. BASIS OF PREPARATION

Going concern

The Group incurred a loss attributable to the owners of the Company of US$612,507 for the period ended 30 September 2015 and net liabilities of US$427,586 as at 30 September 2015. In preparing these consolidated financial statements, the Directors of the Company have given careful consideration to the impact of the current and anticipated future liquidity of the Group and the Company and the ability of the Group and the Company to attain profit and positive cash flows from operations in the immediate and longer term.

Based on the cash flow projections of the Group and having taken into account the assumption that the proposed restructuring of the Company will be successfully completed, the Directors have concluded that the Group and the Company is able to continue as a going concern and to meet their financial liabilities as and when they fall due in the foreseeable future.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

Winding up petition and suspension of trading of the shares of the Company

On 4 April 2014, Australia and New Zealand Banking Group Limited ("ANZ") presented winding-up petitions to the High Court of the Hong Kong Special Administrative Region (the "High Court") for the winding-up of the Company and Max Sunny Limited ("Max Sunny"), a wholly-owned subsidiary of the Company.

On the same day, summonses were filed with the High Court seeking the appointment of provisional liquidators to the Company and Max Sunny. The petitions and summonses were also supported by The Hongkong and Shanghai Banking Corporation Limited ("HSBC"). Following the presentation of the petitions, the Company and Max Sunny engaged in negotiations with ANZ, with the view to reaching a settlement in respect of the petitions and summonses.

On 2 May 2014, the Company and Max Sunny agreed on principle terms of settlement. On 7 May 2014, a Deed of Settlement (the "Deed") was entered into among ANZ, HSBC, the Company and Max Sunny in full and final settlement of the loans due to ANZ and HSBC. The Deed provided for an agreed amount to be paid to each of ANZ and HSBC in five instalments. Upon full compliance of the Deed by the Company and Max Sunny, ANZ would apply to the High Court for the withdrawal or dismissal of the winding-up petitions.

The winding-up petitions were further adjourned to 2 July 2014 and the applications for the appointment of provisional liquidators were adjourned on terms that allowed ANZ to restore the applications on an urgent basis and without objection from the Company and Max Sunny in the event that the Company and Max Sunny failed to meet their obligations under the Deed.

On 6 June 2014, the Company and Max Sunny failed to pay the third instalment due in accordance with the Deed. On 16 June 2014, the applications for appointment of provisional liquidators were restored on an urgent basis and the High Court provided notices to the Company and Max Sunny that the applications would be heard on 27 June 2014.

At the hearing of 27 June 2014 the High Court handed down orders appointing Yat Kit Jong and Donald Edward Osborn as the Joint and Several Provisional Liquidators of the Company and Max Sunny (the "Provisional Liquidators"). Accordingly, trading in the shares of the Company (the "Shares") on the Stock Exchange was suspended at 2:37 pm on 27 June 2014 at the request of the Company.

As mentioned above, trading in the Company's shares on the Main Board of the Stock Exchange has been suspended since 27 June 2014.

Since their appointment, the Provisional Liquidators have been investigating into the affairs of the Group and have taken all necessary actions to preserve the assets. The Provisional Liquidators have also gathered information relating to the status of the Group through meetings with various parties, including but not limited to Ms Yang Jian Hui (the executive director and the Chief Financial Officer of the Group) and various former employees.

Proposed restructuring of the Group

Given the situation of the Group, the Provisional Liquidators with the assistance of Asian Capital (Corporate Finance) Limited which acted as the financial adviser to the Company, sought to identify potential investors with a view to restructuring the Company and submitting a viable resumption proposal to the Stock Exchange.

As announced by the Company on 24 July 2014, the Company received a letter from the Stock Exchange, which stated that in view of the Court Order and the appointment of the Provisional Liquidators, the Stock Exchange considered that the Company might have serious financial difficulties. As the Company had not published the annual results for the year ended 31 March 2014, the Stock Exchange was unable to assess the performance and financial position of the Company. Further it was unclear as to the operating status of the Company and whether the Company still had sufficient level of assets and operations to fulfil the requirement under Rule 13.24 of the Listing Rules. The Stock Exchange therefore decided to place the Company in the first delisting stage under Practice Note 17 of the Listing Rules due to the Company's failure to comply with Rule 13.24 of the Listing Rules. The Company was required to submit a viable resumption proposal, which could, among others, demonstrate its compliance with Rule 13.24 of the Listing Rules, at least 10 business days before the expiry of the first delisting stage, i.e. 15 January 2015.

As no resumption proposal was submitted before the expiry date of the first delisting stage, the Company received a letter from the Stock Exchange dated 20 January 2015. In the letter, the Stock Exchange informed the Company that it had been placed in the second stage of delisting procedures commencing on 20 January 2015 pursuant to Practice Note 17 to the Listing Rules. The Company was required to submit a viable resumption proposal 10 business days before the second delisting stage expires i.e. on or before 3 July 2015, which should meet the following conditions:

1. demonstrate sufficient operations or assets to comply with Rule 13.24;

2. address auditors' qualifications and demonstrate adequate internal control system; and

3. withdraw and/or dismiss the winding-up petition against the Company and discharge the Provisional Liquidators.

On 5 June 2015, the Company, the Provisional Liquidators and an investor entered into a framework agreement, which was subsequently amended and restated by an amendment and restatement framework agreement dated 5 October 2015, pursuant to which the parties agreed on the principal terms of a proposed restructuring of the Group with a view to resume trading in the Shares on the Stock Exchange. A proposal setting out details of the proposed restructuring together with the basis for the resumption of trading in the Shares (the "Resumption Proposal") was prepared and submitted to the Stock Exchange on 19 July 2015. However, without raising any question or query on the Resumption Proposal, the Listing Division of the Stock Exchange notified the Company on 31 July 2015 that it considered that the Resumption Proposal had not satisfactorily demonstrated sufficiency of operations or assets as required under Rule 13.24 of the Listing Rules and it would recommend the Listing Committee of the Stock Exchange (the "Listing Committee") to place the Company in the third delisting stage.

Pursuant to a letter dated 14 August 2015 from the Stock Exchange, the Listing Committee considered that the Resumption Proposal was not viable and decided to place the Company in the third delisting stage under Practice Note 17 to the Listing Rules (the "Ruling"). In arriving at the above decision, the Listing Committee had considered that, among others, the business of the Company in the Resumption Proposal was insufficient to justify the Company's continued listing.

The Company disagrees with the Ruling and on 18 August 2015 formally requested the Listing Committee to provide detailed written reasons for the Ruling. On 24 August 2015, the Company also submitted a formal request to the Stock Exchange for a review of the Ruling by the Listing (Review) Committee of the Stock Exchange. A review hearing of the Ruling is scheduled to be held on 17 December 2015. Further announcement(s) will be made by the Company when there are material developments as appropriate.

As of the date of this report, the management has used its best effort, to the extent commercially practicable, to reconstruct the accounting records of the Group for the years ended 31 March 2014, 31 March 2015 and 30 September 2015, applying their best estimates and judgement based on the information of the Group that are available to the management. However, given the loss of some books and records and serious doubts over the reliability of the Group's accounting and other records, the Board believes that, as at the date of the report, it is almost impossible, and not practical, to ascertain the correct revenue and profit or loss (and the resultant assets and liabilities) for the current year for inclusion in the consolidated financial statements of the Group. Also, due to loss of some books and records, the Board believes that it is almost impossible, and not practical, to verify the financial information as reported in the consolidated financial statements of the Group for past years. Due to insufficient information available to the Directors of the Company, the consolidated financial statements do not contain a consolidated statement of cash flow as required by IAS 7, *Statement of Cash Flows.*

Any adjustments arising from the matters described above would have a consequential significant effect on the net loss of the Group for the years ended 31 March 2014 and 31 March 2015 and period ended 30 September 2015, net assets of the Group as at 31 March 2014 and 31 March 2015 and 30 September 2015.

Due to the limited information available and most of the former key accounting personnel of the Group have left without notice, the Directors were unable to obtain sufficient documentary information to satisfy themselves regarding the completeness of books and records and the treatment of various balances as included in the consolidated financial statements for the years ended 31 March 2014 and 31 March 2015 and period ended 30 September 2015 and have formed the opinion as follows:

As the consolidated financial statements have been prepared based on the incomplete books and records available to the Company, the Directors of the Company are unable to represent that all transactions entered into by the Group for the period ended 30 September 2015 have been properly reflected in the consolidated financial statements. In this connection, the Directors of the Company are also unable to represent as to the completeness, existence and accuracy of identification and the disclosures of the financial statements in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance and the Listing Rules.

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

The Group has adopted the following new and revised Standards, Amendments and Interpretations ("new and revised IFRSs") that are first effective for the current accounting period.

In the current interim period, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations ("new and revised IFRSs") issued by the IASB.

Amendments to IAS 19	Defined Benefit Plans: Employee Contribution
Amendments to IAS IFRSs	Annual Improvements to IFRSs 2010-2012 Cycle
Amendments to IAS IFRSs	Annual Improvements to IFRSs 2011-2013 Cycle

The Group has adopted these new and revised IFRSs and the adoption of these new and revised IFRSs did not have a significant impact on the Group's result and financial position.

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

5. SEGMENT REPORTING

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's executive directors, the chief operating decision maker, for the purposes of resource allocation and performance assessment, the Group has presented the following one reportable segment. No operating segments have been aggregated to form the following reportable segment.

1. Trading of mobile – Hong Kong

The trading of mobile segment derives its revenue primarily from the sale and distribution of mobile:

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's executive directors monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible, intangible assets and current assets with the exception of interests in associates, available-for-sale investments, trading securities, deferred tax assets and other corporate assets. Segment liabilities include provisions and trade and other payables attributable to the activities of the individual segments and borrowings managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "adjusted EBITDA" that is, "adjusted earnings before interest, taxes, depreciation and amortisation", where "interest" is regarded as including investment income and "depreciation and amortisation" is regarded as including impairment losses on non-current assets. To arrive at adjusted EBITDA the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as share of profits less losses of associates, directors' and auditor's remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning adjusted EBITDA, the executive directors are provided with segment information concerning revenue (including inter-segment sales), interest income and expense from cash balances and borrowings managed directly by the segments, depreciation, amortisation and impairment losses and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar order.

Information regarding the Group's reportable segments as provided to the Group's executive directors for the purposes of resources allocation and assessment of segment performance for the period ended 30 September 2015 and 2014 is set out below.

	Trading of Mobile – Hong Kong Six months ended 30 September	
	2015	2014
	US$	*US$*
	(Audited)	(Unaudited)
Revenue from external customers	**592,519**	–
Reportable segment revenue	**592,519**	–
Reportable segment profit (adjusted EBITDA)	**102,563**	–

	At 30 September 2015	At 31 March 2015
	US$	*US$*
	(Audited)	(Audited)
Reportable segment assets	**950,895**	–
Reportable segment liabilities	**916,890**	–

b) ***Reconciliations of reportable segment revenues, profit or loss, assets and liabilities***

	Six months ended 30 September 2015	
	2015	2014
	US$	*US$*
	(Audited)	(Unaudited)
Revenue		
Reportable segment revenue	**592,519**	–
Elimination of inter-segment revenue	**–**	–
Consolidated revenue	**592,519**	–
Profit		
Reportable segment profit	**102,563**	–
Elimination of inter-segment profits	**–**	–
Reportable segment profit derived form the Group's external customers	**102,563**	–
Write off of inventories	**–**	(12,593,616)
Loss on deconsolidation	**–**	(22,019,728)
Impairment losses on prepayment, deposit and other receivables	**–**	(13,959,650)
Unallocated head office and corporate expenses	**(715,070)**	(1,587,647)
Consolidated loss before tax	**(612,507)**	(50,160,641)

	At 30 September 2015	At 31 March 2015
	US$	*US$*
	(Audited)	(Audited)
Assets		
Reportable segment assets	**950,895**	–
Elimination of inter-segment receivables	**–**	–
	950,895	–
Interests in associates	**10,554,016**	10,554,016
Unallocated head office and corporate assets	**72,912,452**	72,912,452
Consolidated total assets	**84,417,363**	83,466,468

	At 30 September 2015	At 31 March 2015
	US$	*US$*
	(Audited)	(Audited)
Liabilities		
Reportable segment liabilities	**916,890**	–
Elimination of inter-segment payables	**–**	–
	916,890	–
Unallocated head office and corporate liabilities	**83,928,059**	83,281,547
Consolidated total liabilities	**84,844,949**	83,281,547

c) Revenue from major product and services

The following is an analysis of the Group's revenue from continuing operations from its major products and services:

	Six months ended 30 September	
	2015	2014
	US$	*US$*
	(Audited)	(Unaudited)
Trading of mobile	**592,519**	–

d) Geographic Information

The following is an analysis of geographical location of the Group's revenue from continuing operations from external customers. The geographical location of customers refers to the location at which the services were provided or the goods delivered. In the case of interests in associates, it is the location of operations of such associates.

	Revenues from external customers		Non-current assets	
	Six months ended 30 September		**At 30 September**	At 31 March
	2015	2014	**2015**	2015
	US$	*US$*	***US$***	*US$*
	(Audited)	(Unaudited)	**(Audited)**	(Audited)
Hong Kong (place of domicile)	**–**	–	**12,864,957**	12,864,957
Bangalore	**366,941**	–	**–**	–
India	**119,306**	–	**–**	–
USA	**106,272**	–	**–**	–
	592,519	–	**12,864,957**	12,864,957

e) Information about major customers

Revenue of approximately US$366,941 (30 September 2014: US$Nil) are derived from a single external customer. These revenue are attributable to the trading of mobile in Bangalore (2014: US$Nil).

On the basis that the relevant books and records are either lost or are incomplete, no representation is made by the Board as to the completeness, occurrence and accuracy of the financial costs as of the date of approval of these consolidated financial statements

6. REVENUE

	Six months ended 30 September	
	2015	2014
	US$	*US$*
	(Audited)	(Unaudited)
Revenue		
Distribution and marketing of mobile handset and its components and electronic components	**592,519**	–
	592,519	–

On the basis that the relevant books and records are either lost or are incomplete, no representation is made by the Board as to the completeness, occurrence and accuracy of the revenue as of the date of approval of these consolidated financial statements.

7. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

		Six months ended 30 September	
		2015	2014
		US$	*US$*
		(Audited)	(Unaudited)
(a)	**Staff costs**		
	Employee benefit expenses (including directors' and chief executive's emoluments)		
	Wages, salaries, bonus and allowances	**138,817**	127,365
	Pension scheme contributions	**–**	–
		138,817	127,365
(b)	**Other items**		
	Auditor's remuneration	**17,995**	17,995
(c)	**Other operating expenses**		
	Impairment loss on prepayments, deposits and other receivables	**–**	13,959,650
	Loss on deconsolidation	**–**	22,019,728
	Write off of inventories	**–**	12,593,616

On the basis that the relevant books and records are either lost or are incomplete, no representation is made by the Board as to the completeness, occurrence and accuracy of the disclosure of loss before tax as of the date of approval of these consolidated financial statements.

8. INCOME TAX

	Six months ended 30 September	
	2015	2014
	US$	*US$*
	(Audited)	(Unaudited)
Current tax – Hong Kong Profits Tax		
Charge for the period	**–**	–
Current tax – PRC		
Charge for the period	**–**	–
Total tax charge for the period	**–**	–

On the basis that the relevant books and records are either lost or are incomplete, no representation is made by the Board as to the accuracy of the income tax as of the date of approval of these consolidated financial statements.

9. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Basic

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the six months attributable to owners of the Company of US$612,507 (six months ended 30 September 2014: loss of US$50,160,641) and the weighted average number of 762,687,662 (six months ended 30 September 2014: 762,687,662) ordinary shares in issue during the period.

Diluted

Diluted loss per share equals to the basic loss per share for the six months ended 30 September 2015 and 30 September 2014 because the outstanding share options had an anti-dilutive effect on the basic loss per share.

Moreover, as the loss attributable to owners of the Company may not be accurate, no representation is made by the Board as to the accuracy of the loss per share of the Company as of the date of approval of these consolidated financial statements.

10. TRADE AND FACTORING RECEIVABLES

	Group	
	At 30 September 2015	At 31 March 2015
	US$	*US$*
	(Audited)	(Audited)
Trade and factoring receivables	**99,676,610**	99,676,610
Less: Impairment loss recognised	**(32,114,781)**	(32,114,781)
Net carrying amount	**67,561,829**	67,561,829

The movements in the provision for impairment of trade and factoring receivables are as follows:

	Group	
	At 30 September 2015	At 31 March 2015
	US$	*US$*
	(Audited)	(Audited)
At 1 April	**32,114,781**	32,114,781
Impairment losses recognised	**–**	–
At period/year ended	**32,114,781**	32,114,781

Given the loss of some books and records, unreliability of records found and the absence of key personnel, the Board believes that it may be almost impossible, and not practical, to ascertain the completeness, existence and accuracy of the trade and factoring receivables of the Group, or to perform a detailed analysis of the Group's trade and factoring receivables aging, credit policy and impairment assessment.

11. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	Group	
	At 30 September 2015	At 31 March 2015
	US$	*US$*
	(Audited)	(Audited)
Trade payables	**1,251,045**	1,251,045
Bills payables	**–**	–
	1,251,045	1,251,045

	Group	
	At 30 September 2015	At 31 March 2015
	US$	*US$*
	(Audited)	(Audited)
0 to 30 days	**–**	–
31 to 60 days	**–**	–
61 to 90 days	**–**	–
Over 90 days	**1,251,045**	1,251,045
	1,251,045	1,251,045

Trade payables generally have credit terms ranging from 30 to 90 days. (31 March 2015: 30 to 90 days).

On the basis that the relevant books and records are either lost or are incomplete, no representation is made by the Board as to the completeness, existence and accuracy of the trade and bills payables of the Group as of the date of approval of these consolidated financial statements.

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT

The Company's auditor has issued the disclaimer of opinion on the Group's consolidated financial statements for the year ended 30 September 2015, an extract of which is as follows:

BASIS FOR DISCLAIMER OF OPINION

Incomplete books and record

Up to the date of this report, given the loss of some books and records and serious doubts over the reliability of the Group's accounting and other records, the Board believes that, it is almost impossible, and not practical, to ascertain the profit or loss (and the resultant assets and liabilities) for the current year for inclusion in the consolidated financial statements of the Group. Also, due to loss of some books and records, the Board believes that it is almost impossible, and not practical, to verify the financial information as reported in the consolidated financial statements of the Group for past years. We were therefore unable to carry out satisfactory audit procedures to obtain reasonable assurance regarding the completeness, accuracy, existence, valuation, classification and disclosures of the transactions of the Group.

Given these circumstances, which are more fully disclosed in note 2.2 to the financial statements there were no practicable audit procedures that we could perform to satisfy ourselves that the information and documents presented to us for the purpose of our audit are complete and accurate in all material respects, nor to quantify the extent of adjustments that might be necessary in respect of the Group's financial information.

As a result, in performing our audit of the consolidated financial statements of the Group for the period ended 30 September 2015, there were no practicable audit procedures that we could perform to satisfy ourselves that whether the balances of assets, liabilities and reserves as at 1 April 2013, 31 March 2014 and 31 March 2015 and 30 September 2015 were fairly stated.

Any adjustments found to be necessary in respect thereof had we obtained sufficient appropriate audit evidence would have had a consequential effect on the net assets of the Group as at 1 April 2013, 31 March 2014 and 31 March 2015 and 30 September 2015 and of its loss for the current and prior years, and the related disclosures thereof in the consolidated financial statements.

Included in the Company's statement of financial position are investment in a subsidiary of US$2,622,935 and US$2,622,935 and due from subsidiaries of US$69,471,270 and US$69,471,270 as at 30 September 2015 and 31 March 2015 respectively, due to the scope limitations as mentioned above, we are unable to satisfy ourselves as to the fairness of the amounts carried as investment in a subsidiary and due from subsidiaries in the Company's financial statements or to determine whether any provision for impairment loss is necessary in respect of the above. Any adjustments would have a consequential effect on the net assets of the Company as at 30 September 2015 and 31 March 2015 and of its net loss for the years then ended and the related disclosures in the consolidated financial statements.

Our audit opinion on the Group's financial statements for the year ended 31 March 2015 was also disclaimed accordingly.

Insufficient audit evidence in respect of loss on deconsolidation

As set out in note 13 to the consolidated financial statements, the Group recorded amount of loss on deconsolidation of US$22,019,728. The Group could not access the books and records of subsidiaries, and the directors considered that the control over these subsidiaries has been lost. Because of the loss of certain accounting books and records of the Deconsolidated Subsidiaries, we were not able to obtain sufficient appropriate audit evidence to determine whether the loss on deconsolidation for the period ended 30 September 2015 were free from material misstatement.

Non-compliance with IFRSs and omission of disclosures

As explained in note 2.2 to the financial statements, as the consolidated financial statements of the Group have been prepared by the provisional liquidators and directors based on incomplete books and records and the provisional liquidators and directors believe they are almost impossible and not practical to ascertain the correct amounts. Consequently, the provisional liquidators and directors of the Company were unable to represent that the financial statements comply with IFRSs, or that the disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited have been complied with. Given these circumstances, which are more fully described in note 2.2, there were no practicable audit procedures that we could perform to quantify the extent of adjustments that might be necessary in respect of the Group's financial statements.

Our audit opinion on the Group's financial statements for the year ended 31 March 2015 was also disclaimed accordingly.

Material uncertainty related to going concern basis

In forming our opinion, we have considered the adequacy of the disclosures made in note 2.2 to the financial statements which explains that a proposal for the resumption of trading in the Company's shares and the restructuring of the Group (the "Resumption Proposal") was submitted to The Stock Exchange of Hong Kong Limited on 19 July 2015.

The consolidated financial statements have been prepared on a going concern basis on the assumption that the proposed restructuring of the Company will be successfully completed, and that, following the restructuring, the Group will continue to meet in full its financial obligations as they fall due in the foreseeable future. The consolidated financial statements do not include any adjustments that would result from a failure to complete the restructuring. We consider that the disclosures are adequate. However, in view of the extent of the uncertainty relating to the completion of the restructuring, we disclaim our opinion in respect of the material uncertainty relating to the going concern basis.

DISCLAIMER OF OPINION

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the consolidated financial statements as to whether they give a true and fair view of the state of affairs of the Company and of the Group as at 30 September 2015 and of the Group's loss for the period then ended in accordance with International Financial Reporting Standards and as to whether the financial statements have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

OTHERS MATTER

We draw your attention that the comparative amounts of the consolidated statement of profit or loss for the six months periods ended 30 September 2014 and the consolidated statement of changes in equity in respect of the six months period ended 30 September 2014 and the related notes disclosed in the financial statements have not been audited. Our opinion is not qualified in respect of this matter.

RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2015

Business and Financial review

Winding up petition, appointment of the Provisional Liquidators and restructuring of the Group

On 4 April 2014, ANZ presented winding-up petitions to the High Court of the Hong Kong Special Administrative Region (the "High Court") for the winding-up of the Company and Max Sunny. On the same day, summonses were filed with the High Court seeking the appointment of provisional liquidators to the Company and Max Sunny. The petitions and summonses were also supported by HSBC. Following the presentation of the petitions, the Company and Max Sunny engaged in negotiations with ANZ, with the view to reaching a settlement in respect of the petitions and summonses.

On 2 May 2014, the Company, Max Sunny and ANZ agreed on principle terms of settlement. On 7 May 2014, the Deed was entered into among ANZ, HSBC, the Company and Max Sunny in full and final settlement of the loans due to ANZ and HSBC. The Deed provided for an agreed amount to be paid to each of ANZ and HSBC in five instalments. Upon full compliance of the Deed by the Company and Max Sunny, ANZ would apply to the High Court for the withdrawal or dismissal of the winding-up petitions.

Accordingly, the winding-up petitions were further adjourned to 2 July 2014 and the applications for the appointment of provisional liquidators were adjourned on terms that allowed ANZ to restore the applications on an urgent basis and without objection from the Company and Max Sunny in the event that the Company and Max Sunny failed to meet their obligations under the Deed.

On 6 June 2014, the Company and Max Sunny failed to pay the third instalment due in accordance with the Deed. On 16 June 2014, the applications for appointment of provisional liquidators were restored on an urgent basis and the High Court provided notices to the Company and Max Sunny that the applications would be heard on 27 June 2014. At the hearing of 27 June 2014 the High Court handed down orders appointing Yat Kit Jong and Donald Edward Osborn as the Joint and Several Provisional Liquidators of the Company and Max Sunny. Accordingly, trading in the Shares on the Stock Exchange was suspended at 2:37 p.m. on 27 June 2014 at the request of the Company.

Since their appointment, the Provisional Liquidators have been investigating into the affairs of the Group and have taken all necessary actions to preserve the assets. The Provisional Liquidators have also gathered information relating to the status of the Group through meetings with various parties, including but not limited to Ms. Yang Jian Hui (the executive director and the Chief Financial Officer of the Group) and various former employees.

Furthermore, the Company and the Provisional Liquidators have entered into agreement with a view to restructuring of continuing the business of the Group, details of which are set out below.

Revenue and gross profit

For the Reporting Period, the Group recorded turnover and gross profit of US$592,519 (2014: US$nil) and US$102,563 (2014: US$nil) respectively. Loss for the Reporting Period attributable to owners of the Company was US$612,507 (2014: loss attributable to owners of the Company was US$50,160,641).

Total assets and liabilities

As of 30 September 2015, the total assets and total liabilities of the Group was US$84,417,363 (31 March 2015: US$83,466,468) and US$84,844,949 (31 March 2015: US$83,281,547) respectively.

Restructuring of the Group

Given the situation of the Group, the Provisional Liquidators, with the assistance of Asian Capital (Corporate Finance) Limited which acted as the financial adviser to the Company, sought to identify potential investors with a view to restructuring the Company and submitting a viable resumption proposal to the Stock Exchange.

As announced by the Company on 24 July 2014, the Company received a letter from the Stock Exchange, which stated that in view of the Court Order and the appointment of the Provisional Liquidators, the Stock Exchange considered that the Company might have serious financial difficulties. As the Company had not published the annual results for the year ended 31 March 2014, the Stock Exchange was unable to assess the performance and financial position of the Company. Further, it was unclear as to the operating status of the Company and whether the Company still had sufficient level of assets and operations to fulfil the requirement under Rule 13.24 of the Listing Rules. The Stock Exchange therefore decided to place the Company in the first delisting stage under Practice Note 17 of the Listing Rules due to the Company's failure to comply with Rule 13.24 of the Listing Rules. The Company was required to submit a viable resumption proposal, which could, among others, demonstrate its compliance with Rule 13.24 of the Listing Rules, at least 10 business days before the expiry of the first delisting stage, i.e. 15 January 2015.

As no resumption proposal was submitted before the expiry date of the first delisting stage, the Company received a letter dated 20 January 2015 from the Stock Exchange and was informed that the Company had been placed in the second stage of delisting procedures commencing on 20 January 2015 pursuant to Practice Note 17 to the Listing Rules. The Company was required to submit a viable resumption proposal 10 business days before the second delisting stage expires i.e. on or before 3 July 2015, which should meet the following conditions:

1. demonstrate sufficient operations or assets to comply with Rule 13.24;

2. address auditors' qualifications and demonstrate adequate internal control system; and

3. withdraw and/or dismiss the winding-up petition against the Company and discharge the Provisional Liquidators.

On 5 June 2015, the Company, the Provisional Liquidators and an investor entered into a framework agreement, which was subsequently amended and restated by an amendment and restatement framework agreement dated 5 October 2015, pursuant to which the parties agreed on the principal terms of a proposed restructuring of the Group with a view to resume trading in the Shares on the Stock Exchange. The Resumption Proposal was prepared and submitted to the Stock Exchange on 19 July 2015. However, without raising any question or query on the Resumption Proposal, the Listing Division of the Stock Exchange notified the Company on 31 July 2015 that it considered that the Resumption Proposal had not satisfactorily demonstrated sufficiency of operations or assets as required under Rule 13.24 of the Listing Rules and it would recommend the Listing Committee to place the Company in the third delisting stage.

Pursuant to a letter dated 14 August 2015 from the Stock Exchange, the Listing Committee considered that the Resumption Proposal was not viable and decided to place the Company in the third delisting stage under Practice Note 17 to the Listing Rules (the "Ruling"). In arriving at the above decision, the Listing Committee had considered that, among others, the business of the Company in the Resumption Proposal was insufficient to justify the Company's continued listing.

The Company disagrees with the Ruling and on 18 August 2015 formally requested the Listing Committee to provide detailed written reasons for the Ruling. On 24 August 2015, the Company also submitted a formal request to the Stock Exchange for a review of the Ruling by the Listing (Review) Committee of the Stock Exchange. A review hearing of the Ruling is scheduled to be held on 17 December 2015. Further announcement(s) will be made by the Company when there are material developments as appropriate.

DIVIDENDS

The Directors did not recommend any dividend for the Reporting Period.

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 September 2015, the Group had current assets of US$71,552,406 (31 March 2015: US$70,601,511) and current liabilities of US$84,844,949 (31 March 2015: US$83,281,547) and total bank and cash balances other than restricted bank balances of US$1,421,405 (30 March 2015: US$778,732).

Liabilities and payables presented in the Results Announcement are prepared according to the books and records and available information to the Provisional Liquidators and the Directors.

CAPITAL COMMITMENTS

Based on books and records of the Group available to the Provisional Liquidators and the Directors, no information of the capital commitments of the Group is made available.

CHARGE ON ASSETS

Given the loss of some books and records and serious doubts over the reliability of the Group's accounting and other records, the Provisional Liquidators and the Board believes that as at the date of this report, it is almost impossible, and not practical, to ascertain the details of any charge of the Group's assets.

CONTINGENT LIABILITIES

Based on books and records of the Group available to the Provisional Liquidators and the Board, as at 30 September 2015, the Group did not have any material contingent liabilities. However, any contingent liabilities/claims against the Company will be subject to the High Court's approval and the relevant claims will be subject to a formal adjudication process.

EMPLOYEE INFORMATION

Based on the available books and records, other than the Directors, the Group employed 1 employee in Hong Kong as at 30 September 2015. Remuneration package is reviewed annually and determined by reference to market pay and individual performance. In addition to salary payments, the Group also provides other employment benefits such as a provident fund.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

To the best knowledge of the Provisional Liquidators and the Board, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Reporting Period.

OUTLOOK/PROSPECT

The Provisional Liquidators have been working closely with an investor since entering into the framework agreement. With the support of and the working capital facility provided by an investor, the Group is steadily reviving its business operations. The proposed restructuring contained in the Resumption Proposal, if successfully implemented, will result in, among others:

(i) a restructuring of the share capital of the Company through a capital reduction, a capital cancellation, a share consolidation;

(ii) an issue of new shares of the Company by way of an open offer and a share subscription by the Investor;

(iii) all claims against, and liabilities of, the Company will be discharged and compromised in full by way of schemes of arrangement in Hong Kong and Bermuda; and

(iv) the resumption of trading in the shares of the Company.

Further announcement(s) will be made by the Company regarding the resumption of trading in the shares of the Company as and when appropriate.

CORPORATE GOVERNANCE PRACTICES

Compliance with the Corporate Governance Code

The Company has complied with the principles (the "Principles") and code provisions (the "Code Provisions") as set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code") in Appendix 14 of the Listing Rules, except for the following:

Pursuant to code provision A.2.7 of the CG Code, the chairman of the Board should at least annually hold meetings with the non-executive Directors (including independent non-executive Directors) without the presence of the executive Directors. Based on the information made available, there was no meeting held for the Reporting Period.

On 27 June 2014, the Provisional Liquidators were appointed by the High Court to, among others, take control and possession of the assets of the Group. Certain Company's books and records have not been located by the Provisional Liquidators. The Provisional Liquidators have engaged an independent accounting firm to review the internal control system of the Group with a view to fulfilling the requirements of the Listing Rules. Further announcement(s) will be made by the Company as and when appropriate.

Board meeting and Directors' Attendance

Based on the information made available to the Provisional Liquidators and the Board, there was 1 board meeting held for the Reporting Period. Except Mr. Wang Shih Zen, all the other directors attended the board meeting.

Audit Committee

The Audit Committee has reviewed the Results Announcement of the Group for the period ended 30 September 2015, in conjunction with the Company's external auditor.

Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transaction by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules for securities transactions in the past years.

Having made specific enquiry of the Directors, all the Directors (except for Mr. Wang Shih Zen who has not been contactable as at the date of this report) confirmed that they had complied with the required standards as set out in the Model Code for the Reporting Period.

REVIEW OF THE RESULTS ANNOUNCEMENT BY AUDITOR

The figures in respect of the Results Announcement of the Group for the year ended 30 September 2015 have been agreed by the Group's auditor, Crowe Horwath (HK) CPA Limited. The work performed by Crowe Horwath (HK) CPA Limited in this respect did not constitute an assurance engagement in accordance with International Standards on Auditing, International Standards on Review Engagements or International Standards on Assurance Engagements and consequently no assurance has been expressed by Crowe Horwath (HK) CPA Limited on the Results Announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This Results Announcement is available for viewing on the websites of HKSE at http://www.hkex.com.hk. The 2015 Interim Report will be available on the website of the Stock Exchange and SGX-ST at the earliest practicable opportunity.

On behalf of the Board
Z-Obee Holdings Limited
(Provisional Liquidators Appointed)
Yang Jian Hai
Director

Hong Kong, 16 November 2015

As at the date of this announcement, the executive Directors are Mr. Lai Hui, Ms. Yang Jian Hui, Ms. Chen Ling and Mr. Wang Shih Zen and the independent non-executive Directors are Mr. Liu Jintao and Mr. Tsang Hin Fun Anthony.

* *For identification purpose only*