偉俊集團控股有限公司*
Wai Chun Group Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock code: 1013)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

INTERIM RESULTS

The board (the "Board") of directors (the "Director(s)") of Wai Chun Group Holdings Limited (the "Company") announces the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "Group") for the six months ended 30 September 2013 together with the comparative figures for the corresponding period in 2012.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 September 2013

		2013	2012
		Unaudited	Unaudited
	Notes	***HK$'000***	*HK$'000*
Turnover	*3*	**43,586**	81,174
Cost of sales		**(35,588)**	(67,322)
Gross profit		**7,998**	13,852
Other income	*4*	**551**	8,402
Net unrealised loss on held-for-trading investments		**(741)**	(457)
Net realised loss on disposal of held-for-trading investments		**(1,661)**	—
Selling and distribution expenses		**(9,283)**	(7,409)
Administrative expenses		**(15,989)**	(12,524)
Finance costs		**(685)**	(525)
(Loss) profit before taxation		**(19,810)**	1,339
Taxation	*5*	**(252)**	(927)
(Loss) profit for the period	*6*	**(20,062)**	412

* *for identification purpose only*

	Notes	**2013** **Unaudited** ***HK$'000***	2012 Unaudited *HK$'000*
(Loss) profit attributable to:			
Shareholders of the Company		**(16,895)**	(984)
Non-controlling interests		**(3,167)**	1,396
		(20,062)	412
Loss per share	*8*	***HK cents***	*HK cents*
Basic		**(0.17)**	(0.02)
Diluted		**(0.17)**	(0.02)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 September 2013

	2013	2012
	Unaudited	Unaudited
	HK$'000	*HK$'000*
(Loss) profit for the period	**(20,062)**	412
Other comprehensive income:		
Exchange differences arising on translation of foreign operations	**225**	96
Other comprehensive income for the period	**225**	96
Total comprehensive (expense) income for the period	**(19,837)**	508
Total comprehensive (expense) income for the period attributable to:		
Shareholders of the Company	**(17,105)**	(883)
Non-controlling interests	**(2,732)**	1,391
	(19,837)	508

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 September 2013

	Notes	30.9.2013 Unaudited HK$'000	31.3.2013 Audited HK$'000
Non-current asset			
Property, plant and equipment		**15,225**	14,440
Current assets			
Inventories		**18,259**	21,664
Trade and other receivables, prepayments and deposits	*9*	**48,428**	45,971
Held-for-trading investments		**9,346**	18,918
Fixed deposits		**300**	300
Bank balances and cash		**22,957**	4,623
		99,290	91,476
Current liabilities			
Trade and other payables	*10*	**37,640**	38,488
Tax payable		**253**	134
Amount due to the non-controlling interests of a subsidiary		**7,582**	—
		45,475	38,622
Net current assets		**53,815**	52,854
Total assets less current liabilities		**69,040**	67,294
Non-current liability			
Loan from the ultimate holding company		**—**	28,417
Net assets		**69,040**	38,877
Capital and reserves			
Share capital	*11*	**213,912**	53,912
Reserves		**(178,960)**	(51,855)
Equity attributable to shareholders of the Company		**34,952**	2,057
Non-controlling interests		**34,088**	36,820
Total equity		**69,040**	38,877

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 September 2013

	Share capital HK$'000	Share premium HK$'000	Convertible preference shares HK$'000	Share option reserve HK$'000	Translation reserve HK$'000	Accumulated losses HK$'000	Attributable to shareholders of the Company HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 April 2013 (audited)	53,912	—	110,000	20,000	(5,670)	(176,185)	2,057	36,820	38,877
Loss for the period	—	—	—	—	—	(16,895)	(16,895)	(3,167)	(20,062)
Other comprehensive income (expense) for the period	—	—	—	—	(210)	—	(210)	435	225
Total comprehensive expense for the period	—	—	—	—	(210)	(16,895)	(17,105)	(2,732)	(19,837)
Shares issued upon exercise of share options	50,000	5,000	—	(5,000)	—	—	50,000	—	50,000
Share options lapsed	—	—	—	(15,000)	—	15,000	—	—	—
Shares issued upon conversion of convertible preference shares	110,000	—	(110,000)	—	—	—	—	—	—
At 30 September 2013 (unaudited)	213,912	5,000	—	—	(5,880)	(178,080)	34,952	34,088	69,040
At 1 April 2012 (audited)	53,912	—	110,000	20,000	(5,491)	(165,243)	13,178	(275)	12,903
(Loss) profit for the period	—	—	—	—	—	(984)	(984)	1,396	412
Other comprehensive income (expense) for the period	—	—	—	—	101	—	101	(5)	96
Total comprehensive income (expense) for the period	—	—	—	—	101	(984)	(883)	1,391	508
At 30 September 2012 (unaudited)	53,912	—	110,000	20,000	(5,390)	(166,227)	12,295	1,116	13,411

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 September 2013

1. BASIS OF PREPARATION

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

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current interim period, the Group has applied, for the first time, the following amendments to the HKFRSs issued by the HKICPA.

HKFRSs (Amendments)	Annual improvements to HKFRSs 2009-2011 cycle
HKFRS 1 (Amendments)	Government loans
HKFRS 7 (Amendments)	Disclosures — Offsetting financial assets and financial liabilities
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated financial statements, joint arrangements and disclosure of interests in other entities — Transition Guidance
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosure of interests in other entities
HKFRS 13	Fair value measurement
HKAS 1 (Amendments)	Presentation of items of other comprehensive income
HKAS 19 (as revised in 2011)	Employee benefits
HKAS 27 (as revised in 2011)	Separate financial statements
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures
HK (IFRIC) — Int 20	Stripping costs in the production phase of a surface mine

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

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective:

HKFRS 7 and HKFRS 9 (Amendments)	Mandatory effective date of HKFRS 9 and transition disclosures[2]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment entities[1]
HKFRS 9	Financial instruments[2]
HKAS 32 (Amendments)	Offsetting financial assets and financial liabilities[1]
HKAS 36 (Amendments)	Impairment of assets — Recoverable amount disclosures of non-financial assets[1]
HKAS 39 (Amendments)	Financial instruments: Recognition and measurement — Novation of derivatives and continuation of hedge accounting[1]
HK (IFRIC) — Int 21	Levies[1]

[1] Effective for annual periods beginning on or after 1 January 2014
[2] Effective for annual periods beginning on or after 1 January 2015

The Directors of the Group anticipate that the application for the new and revised standards, amendments and interpretations will have no material impact on the financial performance and financial position of the Group.

3. SEGMENT INFORMATION

The reportable segments have been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker (the "CODM") of the Group.

Business Segment

The CODM regularly review revenue and operating results derived from three operating divisions — sales and integration service, services income and securities investments. These divisions are the basis on which the Group reports its primary segment information. Principal activities are as follows:

Sales and integration services:	Income from sales and services provision of integration services of computer and communication systems
Services income:	Income from design, consultation and production of information system software and management training services
Securities investments:	Listed securities in held-for-trading investments

Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable segments.

For the six months ended 30 September 2013 (unaudited)

	Sales and integration services *HK$'000*	**Services income** *HK$'000*	**Securities investments** *HK$'000*	**Total** *HK$'000*
TURNOVER				
External sales	**28,741**	**14,845**	**—**	**43,586**
SEGMENT RESULTS	**(6,574)**	**333**	**(1,882)**	**(8,123)**
Unallocated corporate income				**31**
Unallocated corporate expenses				**(11,033)**
Finance costs				**(685)**
Loss before taxation				**(19,810)**
Taxation				**(252)**
Loss for the period				**(20,062)**

For the six months ended 30 September 2012 (unaudited)

	Sales and integration services *HK$'000*	Services income *HK$'000*	Securities investments *HK$'000*	Total *HK$'000*
TURNOVER				
External sales	62,682	18,492	—	81,174
SEGMENT RESULTS	(1,118)	4,871	(57)	3,696
Unallocated corporate income				7,877
Unallocated corporate expenses				(9,709)
Finance costs				(525)
Profit before taxation				1,339
Taxation				(927)
Profit for the period				412

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segments.

At 30 September 2013 (unaudited)

	Sales and integration services *HK$'000*	**Services income** *HK$'000*	**Securities investments** *HK$'000*	**Total** *HK$'000*
Segment assets	**33,851**	**17,484**	**9,346**	**60,681**
Unallocated assets				**53,834**
Consolidated assets				**114,515**
Segment liabilities	**28,829**	**14,890**	**—**	**43,719**
Unallocated liabilities				**1,756**
Consolidated liabilities				**45,475**

At 31 March 2013 (audited)

	Sales and integration services *HK$'000*	Services income *HK$'000*	Securities investments *HK$'000*	Total *HK$'000*
Segment assets	44,968	14,605	18,918	78,491
Unallocated assets				27,425
Consolidated assets				105,916
Segment liabilities	27,452	8,916	—	36,368
Unallocated liabilities				30,671
Consolidated liabilities				67,039

Other information

At 30 September 2013 (unaudited)

	Sales and integration services *HK$'000*	**Services income** *HK$'000*	**Securities investments** *HK$'000*	**Unallocated** *HK$'000*	**Total** *HK$'000*
Additions to property, plant and equipment	**49**	**25**	**—**	**1,081**	**1,155**
Depreciation of property, plant and equipment	**26**	**13**	**—**	**331**	**370**
Property, plant and equipment written off	**—**	**—**	**—**	**1**	**1**

At 31 March 2013 (audited)

	Sales and integration services *HK$'000*	Services income *HK$'000*	Securities investments *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Additions to property, plant and equipment	19	6	—	1,316	1,341
Depreciation of property, plant and equipment	54	18	—	651	723
Over-provision of allowance for bad and doubtful debts	(246)	(80)	—	—	(326)

Geographical segments

No geographical segment analysis on turnover is provided as substantially all of the Group's revenue and contribution to results were derived from the People's Republic of China (the "PRC").

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment analysed by the geographical area in which the assets are located.

	Carrying amount of segment assets		**Additions to property, plant and equipment**	
	30.9.2013	31.3.2013	**30.9.2013**	31.3.2013
	Unaudited	Audited	**Unaudited**	Audited
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**61,543**	45,487	**1,081**	1,316
PRC, excluding Hong Kong	**52,972**	60,429	**74**	25
	114,515	105,916	**1,155**	1,341

4. OTHER INCOME

	For the six months ended 30 September	
	2013	2012
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Bank interest income	**8**	15
Compensation income *(Note)*	**—**	7,740
Dividend income from held-for-trading investments	**520**	400
Over-provision for bad and doubtful debts	**—**	125
Sundry income	**23**	122
	551	8,402

Note:

For the six months ended 30 September 2012, the Company has received the compensation income related to guarantee amount paid in previous year.

5. TAXATION

	For the six months ended 30 September	
	2013	2012
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Taxation in the PRC:		
Current period	**—**	667
Under-provision in prior period	**252**	260
	252	927

No provision for Hong Kong Profits Tax has been provided in the condensed consolidated financial statements as the Company and its subsidiaries in Hong Kong have no assessable profits for the six months ended 30 September 2013 (six months ended 30 September 2012: Nil).

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (six months ended 30 September 2012: 25%).

No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profits streams.

6. (LOSS) PROFIT FOR THE PERIOD

(Loss) profit for the period has been arrived at after charging:

	For the six months ended 30 September	
	2013	2012
	Unaudited	Unaudited
	HK$'000	*HK$'000*
Depreciation of property, plant and equipment	**370**	360
Property, plant and equipment written off	**1**	—
Staff costs (including directors' emoluments)	**10,409**	8,703

7. INTERIM DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 September 2013 (six months ended 30 September 2012: Nil).

8. LOSS PER SHARE

(a) Basic loss per share

The calculation of the basic loss per share for the six months ended 30 September 2013 was based on the Group's loss attributable to shareholders of the Company of approximately HK$16,895,000 (six months ended 30 September 2012: approximately HK$984,000) and the weighted average number of ordinary shares of 10,068,758,111 (six months ended 30 September 2012: 5,391,162,483) in issue at the end of the reporting period, calculated as follows:

	For the six months ended 30 September	
	2013	2012
	Unaudited	Unaudited
	'000	*'000*
Issued ordinary shares at 1 April	**5,391,163**	5,391,163
Effect of share options exercised	**1,345,355**	—
Effect of conversion of convertible preference shares	**3,332,240**	—
Weighted average number of ordinary shares	**10,068,758**	5,391,163

(b) Diluted loss per share

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding due to the effect of all dilutive potential ordinary shares and the Group's loss attributable to shareholders of the Company.

For the six months ended 30 September 2013, convertible preference shares were converted fully and share options were exercised or lapsed. The amount of diluted loss per share is the same as basic loss per share as there is no dilutive potential ordinary share for the six months ended 30 September 2013.

For the six months ended 30 September 2012, the Company has two categories of dilutive potential ordinary shares: convertible preference shares and share options. The calculation of diluted loss per share for the six months ended 30 September 2012 does not assume the conversion of the convertible preference shares and the exercise of the share options since their exercise would result in decrease in loss per share.

9. TRADE AND OTHER RECEIVABLES, PREPAYMENTS AND DEPOSITS

According to the contracts entered into with trade customers, an average of the contracts revenue is normally collected within 90 days from the date of receipt of customers' acceptance, whereas the remaining trade receivables represent retentions held by customers which are normally due one year after completion of the project. The following is an aging analysis of trade receivables included in trade and other receivables at the end of the reporting period:

	30.9.2013	31.3.2013
	Unaudited	Audited
	HK$'000	*HK$'000*
Trade receivables		
0-30 days	**17,713**	20,719
31-90 days	**152**	229
Over 90 days	**245**	—
	18,110	20,948
Other receivables, prepayments and deposits	**30,318**	25,023
Total trade and other receivables, prepayments and deposits	**48,428**	45,971

Other receivables, prepayments and deposits mainly consist of approximately HK$18,900,000 paid in 2013, being deposit paid for the advanced integration information system development in Beijing HollyBridge System Integration Company Limited to fulfill the additional requirement maintaining the qualification of approved system integrators of the information technology business for financial institutions in the PRC.

The Directors consider that the carrying amount of trade and other receivables, prepayments and deposits approximates their fair value.

10. TRADE AND OTHER PAYABLES

The following is an aging analysis of trade payables included in trade and other payables at the end of the reporting period:

	30.9.2013	31.3.2013
	Unaudited	Audited
	HK$'000	*HK$'000*
Trade payables		
0-90 days	**15,685**	20,920
91-180 days	**6,932**	3,588
Over 180 days	**9,580**	6,897
	32,197	31,405
Other payables	**5,443**	7,083
Total trade and other payables	**37,640**	38,488

The average credit period on purchases is ranged from 60 to 180 days.

11. SHARE CAPITAL

	Number of shares	**Share capital**
	'000	*HK$'000*
Authorised:		
Ordinary shares of HK$0.01 each at 1 April 2012, 31 March 2013 and 30 September 2013	89,000,000	890,000
Convertible preference shares of HK$0.01 each at 1 April 2012, 31 March 2013 and 30 September 2013	11,000,000	110,000
Issued and fully paid:		
Ordinary shares of HK$0.01 each at 1 April 2012 and 31 March 2013	5,391,163	53,912
Exercise of share options *(Note a)*	5,000,000	50,000
Conversion of convertible preference shares *(Note b)*	11,000,000	110,000
Ordinary shares of HK$0.01 each at 30 September 2013	21,391,163	213,912
Convertible preference shares of HK$0.01 each at 1 April 2012 and 31 March 2013	11,000,000	110,000
Conversion of convertible preference shares *(Note b)*	(11,000,000)	(110,000)
Convertible preference shares of HK$0.01 each at 30 September 2013	—	—

(a) During the period, 5,000,000,000 share options were exercised into 5,000,000,000 new shares of HK$0.01 each.

(b) The convertible preference shares were issued at a total consideration of HK$110,000,000 on 20 August 2008. The convertible preference shares are convertible in whole or in part at any time for a period of five years commencing 20 August 2008 at a conversion price of HK$0.01 per share.

During the period, holders of convertible preference shares converted a total of 11,000,000,000 convertible preference shares into 11,000,000,000 ordinary shares of HK$0.01 each of the Company. All of the convertible preference shares were converted before maturity date during the period.

MANAGEMENT DISCUSSION AND ANALYSIS

Interim Results

The board of directors of Wai Chun Group Holdings Limited hereby presents the unaudited consolidated interim results of the Company and its subsidiaries for the six months ended 30 September 2013 together with the comparative figures for the corresponding period in 2012.

For the six months ended 30 September 2013, the Group recorded a turnover of approximately HK$43,586,000 (six months ended 30 September 2012: approximately HK$81,174,000), representing a decrease of 46% as compared with the corresponding period last year. The Group recorded a gross profit and gross profit margin of approximately HK$7,998,000 and 18.4% respectively for the six months ended 30 September 2013, representing a decrease of approximately HK$5,854,000 and an increase of 1.3% respectively as compared with the gross profit of approximately HK$13,852,000 and the gross margin of 17.1% for the corresponding period last year.

Selling expenses recorded an increase of 25.3% from approximately HK$7,409,000 for the six months ended 30 September 2012 to approximately HK$9,283,000 for the corresponding period this year. Administrative expenses increased by 27.7% from approximately HK$12,524,000 for six months ended 30 September 2012 to approximately HK$15,989,000 for the corresponding period this year.

Loss attributable to shareholders of the Company amounted to approximately HK$16,895,000, representing an increase of approximately HK$15,911,000 as compared with the loss of approximately HK$984,000 for the corresponding period last year.

Business Review and Future Prospects

During the period under review, the Group continued to engage in the production of software and provision of solutions and related services, trading of communication products, provision of telecommunications infrastructure solution services, investment holdings and securities investments. Through the operations of Beijing HollyBridge System Integration Co Limited, the major subsidiary of the Group, the Group provides one stop solutions, including hardware and system modification for its customers.

During the period, the Group recorded loss before taxation of approximately HK$19,810,000 as compared to profit before taxation of approximately HK$1,339,000 for the corresponding period last year. The receding operating performance was mainly caused by (i) a revenue decrease from both the sales and integration services and the maintenance services due to intensive market competitions from industry counterparts; and (ii) HK$7,740,000 compensation income was recorded for the six months ended 30 September 2012 related to guarantee amount paid during the previous year, whereas no similar income was recorded for the six months ended 30 September 2013.

In addition, there was an increase in the operating cost as compared to the corresponding period last year. The increase of operating cost was attributable to continuous enhancements of sales and marketing office by the Group. This also contributed to the receding operating performance.

For the securities investments of the Group, the Group recorded a net realised loss on disposal of held-for-trading investments of approximately HK$1,661,000 (six months ended 30 September 2012: NIL). A net unrealised loss of approximately HK$741,000 was also recorded during the period, representing an increase of approximately HK$284,000 while compared to approximately HK$457,000 of the corresponding period last year. The Group will continue to adopt a cautious and conservative strategy for securities investments.

Looking at the economy of Mainland China, the majority of economic indicators shows that the economy of the PRC is continuing to recover, and the PRC government has recently promulgated certain important policies on the country's financial and economic reforms, such as to widen and deepen the application of information technology in all aspect of national development. Moreover, the Unit States has extended their quantitative easing monetary policies to provide stimuli factors on individual spendings for the global consumer markets, which would also lead Mainland China to the track of steady economic growth.

Nevertheless, the Group will continue to adopt competitive advantage markets strategies and efficient management policies in operating its businesses and facing the challenges ahead. The Group will strengthen the sales and marketing team and the operation and technical support team leveraging on world-leading information technologies. The management will focus on improving the market coverage and profitability of the existing business operations and expects to achieve an overall favourable return on investments for the Company's shareholders in the near future.

Financial Resources and Liquidity

As at 30 September 2013, the Group had net current asset of approximately HK$53,815,000 (31 March 2013: net current assets of approximately HK$52,854,000) and cash and cash equivalents of approximately HK$22,957,000 (31 March 2013: approximately HK$4,623,000). All cash and cash equivalent are denominated in Hong Kong Dollars and Renminbi. The current ratio of the Group was approximately 2.18 (31 March 2013: approximately 2.37) and the Group did not have any external borrowing and had no assets pledged or any contingent liabilities.

As the Group's businesses are conducted in the PRC, the Group does not expect to be exposed to any material foreign exchange risks.

INTERIM DIVIDEND

The board resolved not to declare an interim dividend for the six months ended 30 September 2013 (30 September 2012: nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 September 2013.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") set out in Appendix 10 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") as the code of conduct regarding securities transactions by the Directors. Following specific enquiries by the Company, all Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 September 2013.

CORPORATE GOVERNANCE

During the six months ended 30 September 2013, the Company complied with all the relevant code provisions as set out in the Corporate Governance Code ("CG Code") as set out in Appendix 14 to the Listing Rules except for the deviation from code provisions A.2.1, A.3.2 and A.4.1.

Code provision A.2.1 provides that the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. The Company does not at present separate the roles of the chairman and chief executive officer. Mr. Lam Ching Kui is the chairman and chief executive officer of the Company. He has extensive experience in project management and securities investments and is responsible for the overall corporate strategies, planning and business development of the Group. The balance of power and authorities are ensured by the operation of the Board which comprises experienced and high caliber individuals with sufficient number thereof being independent non-executive Directors.

Code provision A.3.2 provides that an issuer should maintain on its website and on the Stock Exchange's website an updated list of its Directors identifying their role and function and whether they are independent non-executive directors. After the resignation of Mr. Lu Jun Wu as executive Director and the chief executive officer of the Company on 2 January 2013, the Company failed to maintain on the Stock Exchange's website and on its website an updated list of Directors due to the inadvertent omission by the responsible personnel. The Company has maintained its updated list of Directors on the websites of the Stock Exchange and the Company since July 2013.

Code provision A.4.1 stipulates that non-executive Directors should be appointed for a specific term and subject to re-election. The Company has not fixed the term of appointment of Mr. Ko Ming Tung, Edward as the independent non-executive Director, however, all independent non-executive Directors are subject to retirement by rotation at least once every three years and re-election at the annual general meeting of the Company pursuant to the Company's bye-laws. As such, the Board considers that sufficient measures have been taken to ensure the Company's corporate governance practices are no less exacting those in the CG Code.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The terms of reference of the Audit Committee is currently made available on the Stock Exchange's website and the Company's website. The Audit Committee is mainly responsible for making recommendations to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor, and any questions of resignation or dismissal of such auditor; reviewing the interim and annual reports and accounts of the Group; and overseeing the Company's financial reporting system (including the adequacy of resources, qualifications and experience of staff in charge of the Company's financial reporting function and their training arrangement and budget) and the internal control procedures.

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. To Yan Ming, Edmond (chairman), Mr. Ko Ming Tung, Edward and Mr. Shaw Lut, Leonardo. The Audit Committee has reviewed the unaudited interim financial results of the Group for the six months ended 30 September 2013. The Group's external auditor has carried out a review of the unaudited interim financial statements 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.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

The interim results announcement of the Company for the six months ended 30 September 2013 is published on both the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (www.1013.hk). The interim report of the Company for the six months ended 30 September 2013 containing all the information as required in Appendix 16 to the Listing Rules will be dispatched to shareholders and published on the above websites in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my gratitude to all the staff and management team for their contribution during the period. I would also like to express my appreciation to the continuous support of our shareholders and investors.

By Order of the Board
Wai Chun Group Holdings Limited
Lam Ching Kui
Chairman and Chief Executive Officer

Hong Kong, 28 November 2013

As at the date of this announcement, the Board consists of one executive Director, namely Mr. Lam Ching Kui (Chairman and Chief Executive Officer), and three independent non-executive Directors, namely Mr. Ko Ming Tung, Edward, Mr. Shaw Lut, Leonardo and Mr. To Yan Ming, Edmond.