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.

RMIH

Regent Manner International Holdings Limited
峻 凌 國 際 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1997)

QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2014

The board of directors (the "Directors", collectively the "Board") of Regent Manner International Holdings Limited (the "Company") is pleased to announce the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the three months ended 31 March 2014, together with the comparative figures for the previous year, as follows:

FINANCIAL HIGHLIGHTS

	For the three months ended 31 March		
	2014	2013	Decrease
	US$'000	*US$'000*	
	(Unaudited)	(Unaudited)	
Revenue	**221,542**	352,067	37.1%
Gross profit	**19,860**	29,905	33.6%
Net profit	**5,100**	16,393	68.9%

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	For the three months ended 31 March 2014 US$'000 (Unaudited)	2013 US$'000 (Unaudited)
Revenue	3	**221,542**	352,067
Cost of sales		**(201,682)**	(322,162)
Gross profit		**19,860**	29,905
Selling and distribution costs		**(932)**	(897)
Administrative expenses		**(7,884)**	(7,407)
Other (losses)/gains — net		**(4,905)**	134
Operating profit	4	**6,139**	21,735
Finance income		**1,960**	498
Finance costs	5	**(334)**	(286)
Finance income — net		**1,626**	212
Profit before income tax		**7,765**	21,947
Income tax expense	6	**(2,665)**	(5,554)
Profit for the period attributable to equity holders of the Company		**5,100**	16,393
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Currency translation differences		**(1,220)**	527
Total comprehensive income for the period attributable to equity holders of the Company		**3,880**	16,920
Earnings per share for profit attributable to the equity holders of the Company during the period			
— basic	7	**US$0.0024**	US$0.0076
— diluted	7	**US$0.0024**	US$0.0076
Dividends	8	**–**	–

CONDENSED CONSOLIDATED BALANCE SHEET
As at 31 March 2014

	Notes	**31 March 2014** ***US$'000*** **(Unaudited)**	31 December 2013 *US$'000* (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**212,906**	217,431
Land use rights		**6,938**	7,025
Prepayments for land use rights		**553**	557
Deferred tax assets		**2,626**	2,820
		223,023	227,833
Current assets			
Inventories		**45,351**	50,303
Trade receivables	*9*	**292,765**	323,055
Prepayments, deposits and other receivables		**15,275**	27,072
Due from related companies		**4,491**	2,002
Due from the ultimate holding company		**7,145**	11,456
Cash and bank balances		**232,537**	208,274
		597,564	622,162
Total assets		**820,587**	849,995
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**1,379**	1,379
Share premium		**84,070**	84,070
Other reserves		**333,576**	329,682
Total equity		**419,025**	415,131
LIABILITIES			
Non-current liabilities			
Long-term bank borrowings		**18,407**	22,157
Deferred tax liabilities		**6,242**	6,129
		24,649	28,286
Current liabilities			
Trade payables	*10*	**264,288**	311,158
Accruals and other payables		**17,660**	24,373
Bank borrowings		**51,441**	25,829
Due to the ultimate holding company		**3,929**	3,803
Due to related companies		**8,238**	6,951
Current income tax liabilities		**31,357**	34,464
		376,913	406,578
Total liabilities		**401,562**	434,864
Total equity and liabilities		**820,587**	849,995
Net current assets		**220,651**	215,584
Total assets less current liabilities		**443,674**	443,417

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

The Company is a limited liability company incorporated in the Cayman Islands on 9 August 2006.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 10 July 2007. The Company together with its subsidiaries are hereinafter collectively referred to as the Group. The Group is principally engaged in the manufacture and sale of electronic products and the provision of related subcontracting services.

These condensed consolidated interim financial statements are presented in United States dollars ("US$") unless otherwise stated. These condensed consolidated interim financial statements have not been audited and were approved for issue by the Board of Directors on 28 April 2014.

2. Basis of preparation and significant accounting policies

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements of the Group for the year ended 31 December 2013.

The Group has adopted a number of new and revised Hong Kong Financial Reporting Standards (the "HKFRSs") for the first time in these condensed consolidated interim financial statements. The adoption of these new and revised HKFRSs has no significant effect on these condensed consolidated interim financial statements.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective in these condensed consolidated interim financial statements. The Group is in the process of making assessment of the impact of these new or revised HKFRSs upon initial adoption, while it is not expected that the adoption of these new or revised HKFRSs will have a significant impact on the Group or the Company's financial statements.

3. Revenue and segment information

An analysis of revenue is as below:

	For the three months ended 31 March	
	2014	2013
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Sales of goods	**217,246**	349,253
Subcontracting service income	**4,296**	2,814
Total revenue	**221,542**	352,067

For management purpose, the Group is organised into one operating segment — electronic products. Management monitors the results of this segment in making decisions about resources allocation and performance assessment.

The Group's revenue is substantially derived from its external customers in overseas and majority of the goods sold are transported directly to the external customers' subsidiaries located in the People's Republic of China ("PRC"). The Group's operating assets are substantially located in the PRC.

Accordingly, no segment analysis by operating and geographical segments is provided for the three months ended 31 March 2014.

4. Operating profit

The Group's operating profit is arrived at after charging the following items:

	For the three months ended 31 March	
	2014	2013
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Depreciation of property, plant and equipment	**5,908**	5,912
Amortisation of land use rights	**38**	95
Loss on disposals of property, plant and equipment	**263**	424
(Reversal of)/provision for write-down of inventories	**(25)**	1,338
Provision for impairment of property, plant and equipment	**161**	–

5. Finance costs

	For the three months ended 31 March	
	2014	2013
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Interest expense		
— bank borrowings	**334**	286

6. Income tax expense

The major components of income tax expense are as follows:

	For the three months ended 31 March	
	2014	2013
	US$'000	*US$'000*
	(Unaudited)	(Unaudited)
Current income tax		
— Hong Kong profits tax	**–**	40
— Taiwan corporate income tax	**282**	–
— PRC corporate income tax	**2,076**	5,464
Deferred income tax	**307**	50
	2,665	5,554

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Company Law of the Cayman Islands and, accordingly, is exempted from payment of the Cayman Islands income tax.

Regent Manner (BVI) Limited was incorporated in the British Virgin Islands under the International Business Companies Acts of the British Virgin Islands and is exempted from payment of the British Virgins Islands income tax.

In accordance with Departmental Interpretation and Practice Note 21 (Revised) paragraph 16 published by the Inland Revenue Department of Hong Kong, the directors of the Company considered that Regent Manner Limited ("Regent HK"), a wholly owned subsidiary with Hong Kong manufacturing business involved in the manufacturing activities in the PRC, is entitled to 50:50 apportionment of profits generated from the sale of goods manufactured in the PRC. As a result, Regent HK provided for Hong Kong profits tax at 8.25% on the estimated assessable profits arising in Hong Kong for the three months ended 31 March 2014 (for the three months ended 31 March 2013: 8.25%).

Regent HK operates through a subcontracting factory in Dongguan, the PRC. The factory is subject to the PRC corporate income tax at a rate of 25% on the deemed profit generated in the PRC. The deemed profit is calculated at a rate of 7% on the total deemed revenue which is determined by applying 7% mark-up on the total processing costs incurred by the subcontracting factory. The subcontracting factory has stopped its production since December 2012 and all of its business has been moved to Regent Electron (Dongguan) Co. Ltd. as at 31 March 2014.

The branch company of Regent HK set up in Taiwan has started operation in March 2014. It is subject to the Taiwan corporate income tax at a rate of 17%.

Other PRC subsidiaries are subject to the PRC Corporate Income Tax. The New Corporate Income Tax Law, which became effective on 1 January 2008, introduced the unification of the income tax rate for domestic-invested and foreign-invested enterprises at 25%.

7. Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average numbers of ordinary shares in issue during the period.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

The Company has only one category of dilutive potential ordinary shares, which is the employees share option scheme.

For the employees share option scheme, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the period when the options are outstanding) based on the monetary value of the subscription rights attached to outstanding options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the options. The result of the comparison is anti-dilutive and therefore does not result in dilutive ordinary shares for the calculation of diluted earnings per share for the three months ended 31 March 2014.

	For the three months ended 31 March	
	2014	2013
	(Unaudited)	(Unaudited)
Profit attributable to equity holders of the Company (US$'000)	**5,100**	16,393
Weighted average number of ordinary shares in issue ('000)	**2,149,765**	2,149,765
Basic and diluted earnings per share (US$ per share)	**0.0024**	0.0076

8. Dividends

The Board did not recommend the payment of dividend to the ordinary shareholders for the three months ended 31 March 2014 (for the three months ended 31 March 2013: Nil).

9. Trade receivables

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit terms granted to customers range from 30 days to 120 days. Trade receivables are non-interest bearing.

The ageing analysis of the trade receivables as at the balance sheet date, based on the invoice date, was as follows:

	As at 31 March 2014 *US$'000* **(Unaudited)**	As at 31 December 2013 *US$'000* (Audited)
Within 90 days	**241,816**	269,987
Between 91 days to 180 days	**50,202**	52,002
Between 181 days to 365 days	**618**	931
Over 365 days	**719**	725
	293,355	323,645
Less: Provision for impairment	**(590)**	(590)
	292,765	323,055

10. Trade payables

The ageing analysis of the trade payables as at the balance sheet date, based on the invoice date, was as follows:

	As at 31 March 2014 *US$'000* **(Unaudited)**	As at 31 December 2013 *US$'000* (Audited)
Within 90 days	**189,661**	226,100
Between 91 days to 180 days	**73,816**	84,289
Between 181 days to 365 days	**361**	379
Over 365 days	**451**	390
	264,288	311,158

Trade payables are non-interest bearing and are generally on terms of 30 to 150 days.

MANAGEMENT DISCUSSION AND ANALYSIS

Business and Financial review

The Group is principally engaged in the provision of integrated production solutions deploying surface-mount technology ("SMT") for manufacturers of thin-film transistor liquid crystal display ("TFT-LCD") panels and various electronic products, with an aim to become a specialized provider of electronic manufacturing services ("EMS"). The Group's integrated production solutions include materials procurement and management, process engineering design, SMT processing, quality assurance, logistics management and after-sales services.

Revenue

For the three months ended 31 March 2014, the Group recorded an unaudited consolidated revenue of approximately US$221,542,000 (for the three months ended 31 March 2013: approximately US$352,067,000), representing a decline of approximately 37.1% over the corresponding period of last year. Decrease in revenue during the period was primarily due to (i) the increased proportion of sales of subcontracting service (for which raw materials were provided by customers) during the period as compared with the corresponding period of last year; (ii) the reduction of sales of control boards applicable to small-size tablet computers as compared with the corresponding period of last year.

Gross Profit

Due to the decrease of revenue mentioned above, the unaudited consolidated gross profit for the three months ended 31 March 2014 decreased proportionately by approximately 33.6% to approximately US$19,860,000 (for the three months ended 31 March 2013: approximately US$29,905,000), representing a decline of approximately US$10,045,000.

Due to (1) the increasing proportion of sales of control boards for TFT-LCD and LED lighting modules which have higher gross profit margins and (2) increase of overall utilization rate of production facilities as a result of the consolidation of production capacity of the factory that was running in relatively lower utilization rate in the past, the overall gross profit margin of the Group for the three months ended 31 March 2014 increased to approximately 9.0% from approximately 8.5% for the corresponding period of last year.

Net Profit

Further to the decline of gross profit by approximately US$10,045,000 mentioned above, in response to the recent depreciation of Renminbi, an exchange loss of approximately US$5,000,000 was recorded for the reduction of book value of the Group's Renminbi savings deposit at the time of translating into US dollars for book recording purpose as at 31 March 2014. As a result, the unaudited consolidated profit before income tax for the three months ended 31 March 2014 reduced by approximately US$14,182,000 or approximately 64.6% to approximately US$7,765,000 (for the three months ended 31 March 2013: approximately US$21,947,000).

However, in line with the decrease in profit, income tax expense was reduced by approximately US$2,889,000 or 52.0% to US$2,665,000 for the three months ended 31 March 2014 (for the three months ended 31 March 2013: approximately US$5,554,000). Therefore, the unaudited consolidated net profit after tax became approximately US$5,100,000 as compared with approximately US$16,393,000 for the corresponding period of the last year, representing a decline of approximately 68.9%.

Net profit margin for the three months ended 31 March 2014 became approximately 2.3% (for the three months ended 31 March 2013: approximately 4.7%), while net profit margin for the three months ended 31 March 2014 without the reduction of book value of Renminbi's savings deposit would become 4.6% which would be similar to 4.7% for the corresponding period of last year. The Group will closely monitor the trend of the exchange rate and assess the relevant impact from time to time.

Liquidity and Financial Resources

As at 31 March 2014, the Group's unaudited net current assets was approximately US$220,651,000 (31 December 2013: approximately US$215,584,000) which consisted of current assets amounted to approximately US$597,564,000 (31 December 2013: approximately US$622,162,000) and current liabilities amounted to approximately US$376,913,000 (31 December 2013: approximately US$406,578,000). The current ratio, defined as current assets over current liabilities, was 1.59 times as at 31 March 2014, which was higher than 1.53 times as at 31 December 2013.

As at 31 March 2014, the cash and bank balances amounted to approximately US$232,537,000 (31 December 2013: approximately US$208,274,000) while the unsecured bank loan repayable within one year was approximately US$51,441,000 (31 December 2013: approximately US$25,829,000); and the bank loan repayable beyond one year was approximately US$18,407,000 (31 December 2013: approximately US$22,157,000).

The gearing ratio, defined as total borrowings (other than payables in ordinary course of business) over total equity, as at 31 March 2014 was approximately 17% (31 December 2013: approximately 12%).

The Board is in the opinion that the Group is in a strong and healthy financial position and has sufficient resources in support of its working capital requirement and meet its foreseeable capital expenditure.

Treasury Policy and Exchange Risk Exposure

The Group centralizes funding for all of its operations at the Group level where foreign exchange exposure is reviewed and monitored. This policy allows the Group to better control its treasury operations and lower average cost of capital.

The Group's sales and procurements were mainly transacted in US dollars. The Group does not foresee significant exposure to foreign exchange risk in this respect.

Capital Expenditure

The Group invested approximately US$2,850,000 during the three months ended 31 March 2014 for the construction of factory premises, purchase and installation of plant machinery, equipment and other tangible assets, as compared to approximately US$8,572,000 for the three months ended 31 March 2013. These capital expenditures were fully financed by the internal resources of the Group and bank borrowings.

Capital Commitments and Contingent Liabilities

As at 31 March 2014, the future capital commitments for which the Group had contracted but not provided for amounted to approximately US$2,784,000 which relate mainly to the construction of plants in PRC. As at 31 March 2014, the Group had no significant contingent liabilities.

Human Resources and Remuneration Policies

The Group offers competitive remuneration package to its employees in Hong Kong and in mainland China, including quality staff quarter, training and development opportunities, medical benefits, insurance coverage, retirement benefits and employees share option scheme in order to attract, retain and motivate employees. As at 31 March 2014, the Group had 8,665 employees (as at 31 March 2013: 10,426 employees). The total wages and related cost for the three months ended 31 March 2014 amounted to approximately US$15,611,000 (three months ended 31 March 2013: approximately US$17,779,000).

Prospects

Products and business

During the first quarter of 2014, the shipments for SMT production solutions applied to LED light bars for tablet computers and sensors for touch-panels was seasonally slow. In the future, the above businesses, together with the business of SMT production solutions specialized for TFT-LCD products, will continue to be the main business of the Group. The Group's developing business in relation to the SMT production solutions for LED general lighting, touch panel devices and white appliances keep making contribution to the Group. However, business in the second quarter may still be affected seasonality of the electronic industry. The Group will keep promoting the subcontracting service and developing new solutions for more advanced applications and other high-end electronic products in order to expand the source of income and enhance profitability.

Customers

The Group strives to become a leading EMS provider in the global TFT-LCD panel industry. In this regard, the Group intends to strengthen its relationships with leading TFT-LCD panel makers by continuously adopting co-location strategy. Furthermore, the Group will continue to maintain its focus on the global major players of TFT-LCD panel as well as touch-panel industry from China, Japan, Korea and Taiwan, the international brands of LED lighting equipment and white appliances manufacturers in the PRC, and will enlarge its customer base by exploring opportunity of business with other global manufacturers.

Production capacity

The Group will continuously invest in advanced production facilities and automatic production machines to enhance production efficiency and quality. During the first quarter of 2014, the Group has kept enhancing the production facilities and automation of the plants in Chongqing to cope with the new orders for manufacturers of touch-panels. The Group has 179 SMT production lines as at 31 March 2014 and will initiate the capacity expansion when and where appropriate.

Industry

In the long run, thanks to the government policies promoting energy-saving in many countries, technology evolution, as well as the increasing desire for advanced energy-saving devices in the consumer market, market players of electronic products will keep launching new generation of products, particularly the common application of touch-panel. With those surging demand, the TFT-LCD industry is expected to show healthy growth driven by growing market demand for new generation of TFT-LCD products. Furthermore, the demand from the consumer and industrial and commercial market for energy-saving devices and LED lighting equipment is accelerating. It is favourable for the Group to expand its new business in those markets.

The Group will capture this business opportunity by working closely with its major customers to strive for promising operating results and enhance shareholders' value. The Group's management is confident that its business will continue to grow in the foreseeable future and generate good returns for the Company's shareholders.

DIVIDENDS

The Board did not recommend the payment of dividend to the ordinary shareholders for the three months ended 31 March 2014 (for the three months ended 31 March 2013: Nil).

CORPORATE GOVERNANCE PRACTICES

The Group is committed in ensuring high standards of corporate governance in the interest of its shareholders. The Directors confirm, to the best of their knowledge, the Group has complied with the code provisions set out in the Corporate Governance Code as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the three months ended 31 March 2014 except for the deviation as explained below:

Code Provision A.2.1

Code provision A.2.1 stipulates that the roles of chairman and chief executive officer should not be performed by the same individual. As Mr. Wu Kai-Hsiung, a director, resigned as the chief executive officer and was re-designated as a non-executive director with effect from 22 January 2013, and since then Mr. Wu Kai-Yun, the chairman of the Company, took over as the chief executive officer, the Company deviated from code provision A.2.1.

Currently, Mr. Wu Kai-Yun serves as the chairman of the Board and the chief executive officer of the Company. Mr. Wu is the founder of the Group. He has extensive experience in the surface mount technology business and possesses good reputation, which are key qualifications for the chairmanship. The Group has been moving forward under his leadership as the chairman. Meanwhile, Mr. Wu possesses such competent management skills and business acumen as shall be required for the chief executive officer in his performance of daily management. The Board is comprised of three executive directors (including the chairman), one non-executive director and three independent non-executive directors, each of whom has appropriate skills and experience required by the Group. In addition, the general managers in charge of the operations of the Company's subsidiaries are acted by other unconnected persons. Rules for the proceedings of Board meetings also maintain a mechanism for reporting of interest and abstention from voting.

The Board believes that the current structure of the Board and voting mechanism have already ensured a balance between directors' rights and responsibilities. The Board believes that with Mr. Wu's rich experience in the industry, his roles as both the chairman and chief executive officer not only can enhance communications between the Board and the management team, but also assure that the management team can effectively carry out the policies approved by the Board.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code of conduct regarding securities transactions by the Directors as set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 of the Listing Rules. All Directors confirmed that they have complied with the required standard set out in the Model Code during the three months ended 31 March 2014.

AUDIT COMMITTEE

The Company established an audit committee (the "Audit Committee") with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C3 of the Corporate Governance Code. The Audit Committee will meet at least four times each year with the purpose of monitoring the effectiveness of the Group's financial reporting process, internal control and risk management systems. The Audit Committee comprises all of the three independent non-executive Directors, namely, Mr. Kwok Kwan Hung (chairman of the Audit Committee), Ms. Hsu Wey-Tyng and Ms. Lin Yen-Yu. The Audit Committee has reviewed the unaudited condensed consolidated results, including the accounting principles adopted by the Group, for the three months ended 31 March 2014.

PURCHASE, REDEMPTION OR SALE OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the three months ended 31 March 2014.

By order of the Board
Regent Manner International Holdings Limited
Mr. Wu Kai-Yun
Chairman

Hong Kong, 28 April 2014

As the date of this announcement, the executive directors of the Company are Mr. Wu Kai-Yun, Ms. Tseng Yu Ling and Ms. Han Min, the non-executive director is Mr. Wu Kai-Hsiung and the independent non-executive directors are Mr. Kwok Kwan Hung, Ms. Hsu Wey-Tyng, and Ms. Lin Yen-Yu.