Tenfu (Cayman) Holdings Company Limited
天福（開曼）控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6868)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2014

Financial Highlights

- Revenue for the six months ended 30 June 2014 was RMB883.2 million, increased by 6.1% as compared with RMB832.1 million for the corresponding period in 2013;
- Gross profit margin for the six months ended 30 June 2014 increased from 61.3% for the six months ended 30 June 2013 to 61.9%;
- Profit for the six months ended 30 June 2014 increased from RMB128.2 million for the corresponding period in 2013 to RMB139.9 million;
- Basic earnings per share for the six months ended 30 June 2014 amounted to RMB0.11; and
- The Board resolved to pay an interim dividend of HKD0.07 per share (equivalent to RMB0.056 per share).

The board of directors (the "**Board**") of Tenfu (Cayman) Holdings Company Limited (the "**Company**" or "**Tenfu**" and together with its subsidiaries, the "**Group**") is pleased to announce the unaudited consolidated interim results of the Group for the six months ended 30 June 2014, together with the comparative figures for the corresponding period in the year 2013 as below.

FINANCIAL INFORMATION

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Six months ended 30 June **2014** Unaudited *RMB'000*	2013 Unaudited *RMB'000*
Revenue	*5*	**883,236**	832,135
Cost of sales		**(336,259)**	(321,924)
Gross profit		**546,977**	510,211
Distribution costs		**(260,578)**	(245,245)
Administrative expenses		**(105,856)**	(95,514)
Other income	*6*	**6,284**	4,370
Other gains – net	*7*	**1,199**	730
Operating profit		**188,026**	174,552
Finance income		**8,245**	5,373
Finance costs		**(3,252)**	(3,375)
Finance income – net		**4,993**	1,998
Share of profits of joint ventures		**435**	707
Profit before income tax		**193,454**	177,257
Income tax expense	*8*	**(53,582)**	(49,107)
Profit for the period, all attributable to the owners of the Company		**139,872**	128,150
Other comprehensive income for the period		**–**	–
Total comprehensive income for the period, all attributable to the owners of the Company		**139,872**	128,150
Earnings per share for profit attributable to the owners of the Company			
– Basic earnings per share	*9*	**RMB0.11**	RMB0.10
– Diluted earnings per share	*9*	**RMB0.11**	RMB0.10

	Note	Six months ended 30 June **2014** Unaudited *RMB'000*	2013 Unaudited *RMB'000*
Dividends	*10*	**68,320**	68,320

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 30 June 2014 Unaudited *RMB'000*	As at 31 December 2013 Audited *RMB'000*
ASSETS			
Non-current assets			
Land use rights		**170,310**	138,504
Investment properties		**4,313**	4,456
Property, plant and equipment		**606,708**	587,591
Intangible assets		**4,405**	3,902
Investments in joint ventures		**4,818**	4,791
Deferred income tax assets		**39,026**	43,354
Prepayments – non-current portion	*11(b)*	**82,662**	81,429
		912,242	864,027
Current assets			
Inventories		**401,199**	423,691
Trade and other receivables	*11(a)*	**234,435**	239,893
Prepayments	*11(b)*	**91,929**	85,531
Restricted cash		**45,975**	45,975
Time deposits		**733,830**	480,000
Cash and cash equivalents		**217,786**	202,277
		1,725,154	1,477,367
Total assets		**2,637,396**	2,341,394
EQUITY			
Capital and reserves attributable to the owners of the Company			
Share capital	*12*	**100,816**	100,816
Share premium	*12*	**345,840**	472,704
Other reserves	*13*	**437,395**	437,069
Retained earnings		**1,019,640**	879,768
Total equity		**1,903,691**	1,890,357
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities		**17,695**	17,453
Current liabilities			
Trade and other payables	*15*	**198,534**	271,692
Dividends payable		**696**	–
Current income tax liabilities		**34,305**	26,491
Borrowings	*16*	**467,470**	121,454
Other liabilities	*17*	**15,005**	13,947
		716,010	433,584
Total liabilities		**733,705**	451,037
Total equity and liabilities		**2,637,396**	2,341,394
Net current assets		**1,009,144**	1,043,783
Total assets less current liabilities		**1,921,386**	1,907,810

NOTES TO THE FINANCIAL INFORMATION

1 GENERAL INFORMATION

The Group is engaged in the classification, packaging of tea leaves, manufacture of tea snacks, and sales of tea leaves, tea snacks and tea ware offline and online, and catering management, beverage production and sales of pre-packaged food. The Group has manufacturing plants in Fujian Province, Sichuan Province and Zhejiang Province, the People's Republic of China (the "PRC") and sells mainly to customers located in the PRC.

The Company was incorporated in the Cayman Islands on 22 April 2010 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company's ordinary shares were listed on the main board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 26 September 2011 (the "Listing").

This condensed consolidated interim financial information is presented in Renminbi ("RMB"), unless otherwise stated. This condensed consolidated interim financial information was approved for issue by the Board on 19 August 2014.

This condensed consolidated interim financial information has not been audited.

Key events

Pursuant to the resolution of Fujian Tian Fu Sales Co., Ltd. ("Fujian Tenfu")'s board of directors meeting, dated 19 December 2013, Fujian Tenfu and Ten Ren Tea (Hong Kong) Limited, a third party, entered into an agreement dated 19 December 2013 to set up a joint venture, Xiamen Daily Plus Food Beverage Management Co., Ltd. ("Xiamen Daily Plus") in Xiamen, Fujian Province, to engage in catering management, beverage production and sales of pre-packaged food. Xiamen Daily Plus was established on 21 January 2014 with registered capital of United States Dollar ("USD") 2,100,000 (equivalent to RMB12,803,000). Fujian Tenfu holds 50% equity interests in Xiamen Daily Plus. As at the date of issuance of this condensed consolidated interim financial information, USD157,500 has been injected to Xiamen Daily Plus.

In February, March and May 2014, the Group renegotiated its existing loan facility to provide funding for the working capital and other general corporate purpose.

2 BASIS OF PREPARATION

This condensed consolidated interim financial information for the six months ended 30 June 2014 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34, 'Interim Financial Reporting' issued by the Hong Kong Institute of Certified Public Accountants. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2013, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants.

3 ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2013, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

The adoption of the new amendments to standards and interpretation that are effective for the first time for this interim period do not have any material impact on the Group.

The following new/revised standards and amendments to standards have been issued and are relevant to the Group's operations but they are not yet effective for the financial year beginning on 1 January 2014 and have not been early adopted by the Group:

		Effective for annual periods beginning on or after
Annual improvements 2012	HKFRS 2 'Share-based Payment' HKFRS 3 'Business Combinations' HKFRS 8 'Operating Segments' HKFRS 9 'Financial Instruments' HKAS 16 'Property, Plant and Equipment' HKAS 24 'Related Party Disclosures' HKAS 37 'Provisions, Contingent Liabilities and Contingent Assets' HKAS 38 'Intangible Assets' HKAS 39 'Financial Instruments: Recognition and Measurement'	1 July 2014
Annual improvements 2013	HKFRS 3 'Business Combinations' HKFRS 13 'Fair Value Measurement' HKAS 40 'Investment Property'	1 July 2014
HKFRS 19 (Amendments)	Defined benefit plans	1 July 2014
HKFRS 11 (Amendments)	Accounting for acquisitions of interests in joint operations	1 January 2016
HKAS 16 and HKAS 38 (Amendments)	Clarification of acceptable methods of depreciation and amortisation	1 January 2016
HKFRS 15	Revenue from Contracts with Customers	1 January 2017
HKFRS 9	Financial Instruments	Not yet determined

The Group will apply the new/revised standards and amendments to standards described above when they become effective. The Group is in the process of making an assessment on the impact of these new/revised standards and amendments to standards and does not anticipate that the adoption when they become effective will result in any material impact on the Group's results of operations and financial position.

4 ESTIMATES

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended 31 December 2013.

5 REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board. The Board reviews the Group's internal reporting in order to assess performance and allocate resources. The Board has determined the operating segments based on these reports.

The Board considers the business from a product perspective. The Board assesses the performance of the operating segments based on a measure of segment profit or loss.

The reportable operating segments derive their revenue primarily from the classification, packaging of tea leaves, manufacture of tea snacks, and sales of tea leaves, tea snacks and tea ware.

Others include revenue from restaurant, hotel, tourist, management services and catering management, beverage production and sales of pre-packaged food. These are not included within the reportable operating segments, as they are not presented separately in the reports provided to the Board.

No geographical segment information is presented as almost all the sales and operating profits of the Group are derived within the PRC and almost all the operating assets of the Group are located in the PRC, which is considered as one geographic location with similar risks and returns.

The Board assesses the performance of the operating segments based on a measure of adjusted operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the condensed consolidated interim financial information. The common administrative expenses, other gains or losses, other income, financing (including finance costs and interest income), share of results of joint ventures and income taxes are managed on a group basis and are not allocated to operating segments.

Segment assets consist primarily of land use rights, property, plant and equipment, intangible assets, inventories, trade and other receivables, prepayments, as well as time deposits, cash and cash equivalents and restricted cash held by subsidiaries in mainland China. They exclude investment properties, deferred income tax assets and prepaid tax, as well as time deposits, cash and cash equivalents and restricted cash held by the Company and overseas subsidiaries.

Segment liabilities comprise operating liabilities. They exclude borrowings, deferred income tax liabilities, tax liabilities, dividends payable and other payables due to related parties and directors' and senior management's emoluments payable.

Revenue

Turnover of the Group consists of the following revenues for the six months ended 30 June 2014 and 2013. All revenues are derived from external customers.

	Six months ended 30 June	
	2014	2013
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Sales of tea leaves	**637,292**	602,561
Sales of tea ware	**116,849**	114,637
Sales of tea snacks	**100,803**	98,066
Others	**28,292**	16,871
	883,236	832,135

The segment results for the six months ended 30 June 2014:

	Unaudited				
	Tea leaves *RMB'000*	**Tea snacks** *RMB'000*	**Tea ware** *RMB'000*	**All other segments** *RMB'000*	**Total** *RMB'000*
Segment revenue	**637,292**	**100,803**	**116,849**	**28,292**	**883,236**
Segment results	**158,939**	**9,692**	**20,332**	**2,423**	**191,386**
Common administrative expenses					**(10,843)**
Other income					**6,284**
Other gains – net					**1,199**
Finance income – net					**4,993**
Share of results of joint ventures					**435**
Profit before income tax					**193,454**
Income tax expense					**(53,582)**
Profit for the period					**139,872**

Other segment items included in the condensed consolidated statement of comprehensive income for the six months ended 30 June 2014:

	Unaudited					
	Tea leaves *RMB'000*	**Tea snacks** *RMB'000*	**Tea ware** *RMB'000*	**All other segments** *RMB'000*	**Unallocated** *RMB'000*	**Total** *RMB'000*
Depreciation of property, plant and equipment	**20,834**	**4,289**	**2,221**	**986**	**5,124**	**33,454**
Depreciation of investment properties	**–**	**–**	**–**	**–**	**143**	**143**
Amortisation of land use rights	**3,005**	**510**	**552**	**23**	**–**	**4,090**
Losses on disposal of property, plant and equipment, net	**21**	**4**	**4**	**–**	**–**	**29**

The segment assets and liabilities as at 30 June 2014 are as follows:

	Unaudited					
	Tea leaves *RMB'000*	**Tea snacks** *RMB'000*	**Tea ware** *RMB'000*	**All other segments** *RMB'000*	**Unallocated** *RMB'000*	**Total** *RMB'000*
Segment assets	**1,514,567**	**267,513**	**306,128**	**63,844**	**485,344**	**2,637,396**
Segment liabilities	**146,288**	**11,966**	**20,316**	**5,624**	**549,511**	**733,705**

The segment results for the six months ended 30 June 2013:

	Unaudited				
	Tea leaves *RMB'000*	Tea snacks *RMB'000*	Tea ware *RMB'000*	All other segments *RMB'000*	Total *RMB'000*
Segment revenue	602,561	98,066	114,637	16,871	832,135
Segment results	154,683	6,622	13,832	4,760	179,897
Common administrative expenses					(10,445)
Other income					4,370
Other gains – net					730
Finance income – net					1,998
Share of results of a joint venture					707
Profit before income tax					177,257
Income tax expense					(49,107)
Profit for the period					128,150

Other segment items included in the condensed consolidated statement of comprehensive income for the six months ended 30 June 2013:

	Unaudited					
	Tea leaves *RMB'000*	Tea snacks *RMB'000*	Tea ware *RMB'000*	All other segments *RMB'000*	Unallocated *RMB'000*	Total *RMB'000*
Depreciation of property, plant and equipment	17,694	3,954	1,996	975	6,030	30,649
Depreciation of investment properties	–	–	–	–	143	143
Amortisation of land use rights	1,068	258	309	42	–	1,677
Losses on disposal of property, plant and equipment, net	21	8	7	–	–	36

The segment assets and liabilities as at 30 June 2013 are as follows:

	Unaudited					
	Tea leaves *RMB'000*	Tea snacks *RMB'000*	Tea ware *RMB'000*	All other segments *RMB'000*	Unallocated *RMB'000*	Total *RMB'000*
Segment assets	1,224,024	229,946	259,867	35,146	486,913	2,235,896
Segment liabilities	105,343	9,539	21,378	528	279,755	416,543

6 OTHER INCOME

	Six months ended 30 June	
	2014	2013
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Government grants	**4,113**	2,577
Income from investment properties	**645**	1,353
Others	**1,526**	440
	6,284	4,370

7 OTHER GAINS – NET

	Six months ended 30 June	
	2014	2013
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Losses on disposal of property, plant and equipment, net	**(29)**	(36)
Net foreign exchange gains	**1,228**	766
	1,199	730

8 INCOME TAX EXPENSE

	Six months ended 30 June	
	2014	2013
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Current income tax		
– Hong Kong profits tax	**2**	10
– PRC corporate income tax	**46,510**	41,642
Deferred income tax	**7,070**	7,455
Income tax expense	**53,582**	49,107

(i) Cayman Islands profits tax

The Company is not subject to any taxation in the Cayman Islands.

(ii) Hong Kong profits tax

For the six months ended 30 June 2014 and 2013, Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit for the period.

(iii) PRC corporate income tax ("CIT")

CIT is provided on the assessable income of entities within the Group incorporated in the PRC.

9 EARNINGS PER SHARE

(a) Basic

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

	Six months ended 30 June	
	2014	2013
	Unaudited	Unaudited
Profit attributable to the owners of the Company (RMB'000)	**139,872**	128,150
Weighted average number of ordinary shares in issue	**1,227,207,460**	1,227,207,460
Basic earnings per share (RMB)	**0.11**	0.10

(b) Diluted

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's potentially dilutive ordinary shares comprise share options.

Performance-related employee share options are treated as contingently issuable shares. Contingently issuable shares are considered outstanding and where applicable, included in the calculation of diluted earnings per share as if the conditions of the contingency are deemed to have been met, based on the information available, at the end of reporting period.

As at 30 June 2014, none of the performance conditions of the share options were met, and thus the potentially dilutive ordinary shares are not included in the calculation of diluted earnings per share. As a result, diluted earnings per share is the same as basic earnings per share.

10 DIVIDENDS

	Six months ended 30 June	
	2014	2013
	Unaudited	Unaudited
	RMB'000	*RMB'000*
Interim dividend declared	**68,320**	68,320

An interim dividend for 2014 of Hong Kong Dollar ("HKD") 7 cents (equivalent to RMB5.6 cents) per share was declared by the Board on 19 August 2014 using the share premium account. This interim dividend, amounting to HKD85,905,000 (equivalent to RMB68,320,000), has not been recognized as liability in this condensed consolidated interim financial information. It will be reflected as an appropriation of share premium for the year ending 31 December 2014.

An interim dividend for 2013 of HKD7 cents (equivalent to RMB5.6 cents) per share was declared by the Board on 26 August 2013 using the share premium account. This interim dividend, amounting to HKD85,905,000 (equivalent to RMB68,320,000), has been reflected as an appropriation of share premium for the year ended 31 December 2013.

The dividends paid in the six months ended 30 June 2014 and 2013 were RMB126,168,000 and RMB137,654,000 respectively.

11 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

(a) Trade and other receivables

	As at 30 June 2014 Unaudited *RMB'000*	As at 31 December 2013 Audited *RMB'000*
Trade receivables due from third parties	**217,305**	232,438
Interest receivable on time deposits	**6,110**	4,571
Others	**11,020**	2,884
	17,130	7,455
	234,435	239,893

Most of the Group's sales are settled in cash or in bills by its customers. Credit sales are made to selected customers with good credit history with a credit term of 140 days.

The ageing analysis of the trade receivables based on invoice date is as follows:

	As at 30 June 2014 Unaudited *RMB'000*	As at 31 December 2013 Audited *RMB'000*
Up to 140 days	**206,188**	219,574
141 days to 6 months	**8,292**	9,987
6 months to 1 year	**1,455**	2,614
1 year to 2 years	**1,370**	263
	217,305	232,438

(b) Prepayments and deposits

	As at 30 June 2014 Unaudited *RMB'000*	As at 31 December 2013 Audited *RMB'000*
Non-current		
Prepayments for property, plant and equipment	**82,662**	81,429
Current		
Prepayments for lease of property and lease deposits	**69,407**	61,165
Prepayments for raw materials and packaging materials	**19,192**	13,901
Prepaid taxes	**3,030**	10,465
Prepayment to a related party	**300**	–
	91,929	85,531
	174,591	166,960

12 SHARE CAPITAL AND PREMIUM

	Unaudited				
	Number of authorized shares *(thousands)*	Number of issued shares	Ordinary shares *RMB*	Share premium *RMB*	Total *RMB*
At 1 January 2014	**8,000,000**	**1,227,207,460**	**100,815,647**	**472,704,193**	**573,519,840**
Dividends (i)	**–**	**–**	**–**	**(126,863,822)**	**(126,863,822)**
At 30 June 2014	**8,000,000**	**1,227,207,460**	**100,815,647**	**345,840,371**	**446,656,018**
Representing:					
– Interim dividend declared (i)				**68,320,000**	
– Others				**277,520,371**	
At 30 June 2014				**345,840,371**	
At 1 January 2013	8,000,000	1,227,207,460	100,815,647	678,625,268	779,440,915
Dividends (i)	–	–	–	(137,600,828)	(137,600,828)
At 30 June 2013	8,000,000	1,227,207,460	100,815,647	541,024,440	641,840,087
Representing:					
– Interim dividend declared (i)				68,320,000	
– Others				472,704,440	
At 30 June 2013				541,024,440	

(i) Pursuant to Section 34 of the Cayman Companies Law (2003 Revision) and the Articles of Association of the Company, share premium of the Company is available for distribution to shareholders subject to a solvency test on the Company and the provision of the Articles of Association of the Company. Details of the interim dividend declared are set out in Note 10.

13 OTHER RESERVES

	Unaudited				
	Merger reserve *RMB'000*	Capital reserve *RMB'000*	Statutory reserves *RMB'000*	Share-based payment reserve *RMB'000*	Total *RMB'000*
At 1 January 2014	**278,811**	**231**	**156,441**	**1,586**	**437,069**
Share option scheme – value of services from directors, employees and independent third party distributors *(Note 14)*	**–**	**–**	**–**	**326**	**326**
At 30 June 2014	**278,811**	**231**	**156,441**	**1,912**	**437,395**
At 1 January 2013	278,811	231	126,723	1,019	406,784
Share option scheme – value of services from directors, employees and independent third party distributors *(Note 14)*	–	–	–	226	226
At 30 June 2013	278,811	231	126,723	1,245	407,010

14 SHARE-BASED PAYMENTS

On 17 December 2010, the Company adopted a share option scheme whereby the Board can grant options for the subscription of the Company's shares to the directors, employees, managerial staff and senior employees and those other persons that the Board considers that they will contribute or have contributed to the Group.

Share Option Scheme

Pursuant to the share option scheme of the Company in relation to the grant of options under the Share Option Scheme, the Company granted options to subscribe for an aggregate of 7,046,000 shares, 1,307,000 shares and 8,353,000 shares on 6 January 2012, 12 January 2012 and 19 March 2013 respectively to certain directors, employees and independent third party distributors. The options have a contractual option term of 10 years. The Group has no legal or constructive obligation to repurchase or settle the options in cash. These options vest in tranches over a period of up to 3 years.

The options are exercisable during the following periods, subject to the Group achieving its target growth in revenue and net profit and the employees and independent third party distributors meeting their performance targets as well. The employees should remain in the Group's employ and the independent third party distributors should keep their businesses with the Group until that performance condition is satisfied.

(i) up to 35% on or after 5 January 2013, 11 January 2013, 18 March 2014 respectively;

(ii) up to 35% on or after 5 January 2014, 11 January 2014 and 18 March 2015 respectively;

(iii) all the remaining options on or after 5 January 2015, 11 January 2015 and 18 March 2016 respectively.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	Average exercise price in HKD per share	**Number of options *(thousands)***
As at 1 January 2014	**4.86**	**16,502**
Forfeited *(Note (a))*	**4.28**	**(20)**
As at 30 June 2014	**4.86**	**16,482**
As at 1 January 2013	5.44	8,338
Granted on 19 March 2013	4.28	8,353
Forfeited *(Note (a))*	5.41	(128)
As at 30 June 2013	4.86	16,563

(a) Options were forfeited during the six months ended 30 June 2014 and 2013 due to employees' resignation.

Share options outstanding at 30 June 2014 have the following expiry dates and exercise prices:

Expiry date	**Exercise price in HKD per share**	**Number of options *(thousands)***
5 January 2022	5.41	6,865
11 January 2022	5.60	1,307
18 March 2023	4.28	8,310

The total fair value, which was determined by using Binomial option price model, of the options granted under the Share Option Scheme as at the grant dates are approximately HKD17,615,000 (equivalent to RMB14,330,000), HKD3,685,000 (equivalent to RMB2,999,000) and HKD16,249,000 (equivalent to RMB13,139,000) on 6 January 2012, 12 January 2012 and 19 March 2013 respectively. The following assumptions were adopted to calculate the fair value of the options on the grant dates:

	Granted on 6 January 2012	**Granted on 12 January 2012**	**Granted on 19 March 2013**
Exercise price	HKD5.41	HKD5.60	HKD4.28
Expected volatility	53.95%	53.93%	56.79%
Expected dividend yield	2.00%	2.00%	3.00%
Risk free rate	1.52%	1.49%	1.20%

The expected volatility is determined by calculating the historical volatility of the price of listed companies with businesses similar to the Group. The expected dividend yield is determined by the directors based on the expected future performance and dividend policy of the Group.

The share option expense charged to the condensed consolidated statement of comprehensive income during the six months ended 30 June 2014 was approximately HKD411,000 (equivalent to RMB326,000), including an amount of HKD364,000 (equivalent to RMB289,000) for the directors and employees of the Group.

The share option expense charged to the condensed consolidated statement of comprehensive income during the six months ended 30 June 2013 was approximately HKD283,000 (equivalent to RMB226,000), including an amount of HKD271,000 (equivalent to RMB216,000) for the directors and employees of the Group.

15 TRADE AND OTHER PAYABLES

	As at 30 June 2014 Unaudited ***RMB'000***	As at 31 December 2013 Audited *RMB'000*
Trade payables – due to third parties	**84,069**	129,457
Trade payables – due to related parties	**22,841**	18,323
Other payables for property, plant and equipment	**4,562**	5,445
Other taxes payable	**7,951**	17,299
Employee benefit payables	**20,415**	22,965
Accrued operating expenses	**19,363**	18,821
Advances from customers	**21,264**	23,424
Amount due to a related party	**–**	29
Other payables for business combinations	**–**	19,129
Others	**18,069**	16,800
	198,534	271,692

The ageing analysis of trade payables (including amounts due to related parties of trading in nature) based on invoice date is as follows:

	As at 30 June 2014 Unaudited *RMB'000*	As at 31 December 2013 Audited *RMB'000*
Up to 6 months	**89,448**	138,757
6 months to 1 year	**14,936**	8,643
1 year to 2 years	**1,928**	161
Over 2 years	**598**	219
	106,910	147,780

16 BORROWINGS

	As at 30 June 2014 Unaudited *RMB'000*	As at 31 December 2013 Audited *RMB'000*
Short-term bank borrowings		
– Unsecured bank borrowings (i)	**425,939**	75,727
– Secured bank borrowings (ii)	**41,531**	45,727
	467,470	121,454

(i) As at 30 June 2014, bank borrowings of RMB92,292,000 are guaranteed by Mr. Lee Rie-Ho, Mr. Lee Chia Ling and Mr. Lee Kuo-Lin, all of them are directors of the Company.

As at 31 December 2013, bank borrowings of RMB45,727,000 are guaranteed by Mr. Lee Rie-Ho, Mr. Lee Chia Ling and Mr. Lee Kuo-Lin, all of them are directors of the Company.

(ii) As at 30 June 2014, bank borrowings of RMB41,531,400 are secured by bank deposits of RMB45,975,000 of the Group.

As at 31 December 2013, bank borrowings of RMB45,727,000 are secured by bank deposits of RMB45,975,000 of the Group.

17 OTHER LIABILITIES

	As at 30 June 2014 Unaudited *RMB'000*	As at 31 December 2013 Audited *RMB'000*
Deferred revenue: customer loyalty programme	**15,005**	13,947

The Group operates a loyalty programme where customers accumulate points for purchases made which entitle them to redeem products of the Group in the future. Accordingly certain portion of the revenue from sale transaction is required to be deferred. Revenue from the reward points is recognised when the points are redeemed. Unused reward points will expire after one year.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

In the first half of 2014, the Group achieved revenue of RMB883.2 million, up 6.1% from the corresponding period in 2013, and recorded profit for the period of RMB139.9 million, up 9.1% from the corresponding period in 2013. The increase in the Group's revenue for the period was attributable mainly to the expansion as well as optimization of sales network and development of new concepts for tea-related products.

In the first half of 2014, owing to the macroeconomic depression and austerity measures of the PRC government, the consumer market in the PRC continued its downward trend. Under this environment, the Group is still maintaining its market position, pursuing further development and adjusting its marketing strategies to protect and expand its market share.

1. **Leading brand position.** Ranking number one among 100 enterprises in relation to comprehensive strength in tea industry in the PRC in 2013, the "Tenfu" (天福) brand has one of the highest levels of brand awareness amongst tea product consumers in the PRC. The Group is of the view that the sales structure of its tea products in the first half of 2014 reflects the recent trend of Chinese consumers, which has been switching from unbranded to branded traditional Chinese tea leaves, as well as a more reasonable consumption practice. Consumers tend to purchase middle-and-lower-ended but functional products instead of higher-ended products. With its high level of brand awareness and more than 20 years of presence in the market, as well as its diversified product range, the Group believes that it is in a good position to continue to occupy a large market share of branded traditional Chinese tea leaves and wait for the market re-bounce.

2. **Adjusting and optimizing sales network.** The Group has continued adjusting retail outlets and retail points with a view to keeping and developing its most profitable sales network for its tea products in the PRC. As at 30 June 2014, the Group had a total of 1,343 self-owned and third-party owned retail outlets and retail points, compared with a total of 1,347 as at 31 December 2013.

3. **Adjustment in tea product categories and development diversified product lines.** In the first half of 2014, the Group adjusted its tea product categories and developed a series of drinks and tea related products, focusing on the sale of middle-and-lower-ended but functional products instead of higher-ended products to meet Chinese consumers' need.

In addition, the successful initial public offering on the main board of the Stock Exchange on 26 September 2011 provided the Company with a fully-integrated financial platform to support its future development. The Company raised net proceeds of RMB933.3 million from the listing. The table below sets out the Company's planned use of the net proceeds at the time of Listing and its use of such net proceeds as at 30 June 2014:

	Planned use of net proceeds at Listing	**Net proceeds used as at 30 June 2014**
Expand and optimize network of self-owned retail outlets and retail points	40.0%	23.6%
Acquire store premises for self-owned retail outlets	25.0%	25.0%
Working capital and other general corporate purposes	10.0%	10.0%
Maintain and promote brands	15.0%	8.7%
Expand production capacity	10.0%	10.0%
Total	100.0%	77.3%

In the second half of 2014, despite the anticipated further slowdown in economic growth in the PRC, the Group plans to keep its market share, continue with its expansion, optimize its network of self-owned retail outlets and retail points and acquire store premises for the operation of self-owned retail outlets. In particular, the Group plans to:

1. **Continue to expand and optimize its retail sales network.** The Group will increase the number of stores, including both self-owned and third-party owned retail outlets and retail points, according to the economic development of the PRC. As part of this goal, the Group plans to establish new retail outlets on high-traffic streets in the central business districts of selected cities, as well as retail points in popular shopping malls. In addition, the Group plans to continue to strengthen its business relationships with major department stores and hypermarkets by entering into further cooperation agreements to expand the circulation of its tea products. To capture more customers who prefer to buy their tea products on-line, the Group continues to monitor the opportunity to start internet sales after completion of acquisition of Xiamen Tianyu Commerce and Trading Co., Limited (廈門天鈺商貿有限公司) in September 2013. The Group will continue to monitor other opportunities for multi-channel sales and distribution network, which enables the Group to access a broad market audience and penetrate into different regions in the PRC, and continue to rapidly expand their sales.

2. **Continue to enhance brand reputation and consumer awareness.** The Group plans to maintain and promote its high level of brand awareness through targeted marketing and promotional activities. The Group will devote further efforts to promote its products and brands during major traditional Chinese festivals, and continue opening tea cultural flagship stores in order to maintain and promote the well-known "Tenfu" (天福) brand. The Group also plans to continue the promotion of an enhanced rewards program for its customers in order to encourage repeating business and increase customer loyalty.

3. **Continue to expand tea-related products portfolio.** The Group believes that a broad portfolio of products will help maintaining its leading brand awareness and keeping pace with constantly changing consumer preferences and trends. To this end, the Group plans to develop and introduce new concepts for tea-related products and expand its product portfolio. Through the completion of acquisition of Xiamen Tianqia Catering Management Co., Limited (廈門天洽餐飲管理有限公司) in October 2013, the Group enters into the tea drink (including milk tea) industry with the trademark of "放牛斑". Xiamen Daily Plus Food Beverage Management Co., Ltd. (廈門天天佳盈餐飲管理有限公司), a joint venture company with Ten Ren Tea Co., Ltd. (天仁茶業股份有限公司) was establish in January 2014 to further develop the tea drink business with the trademark of "喫茶趣 TO GO". Through the establishment of Xiamen Daily Plus Food Beverage Management Co., Ltd., the Group will expand its market share in tea drink (including milk tea) industry by cooperation with Ten Ren Tea Co., Ltd. and leveraging experience of Ten Ren Tea Co., Ltd. in Taiwan and international markets.

4. **Expand production capacity to achieve optimization in procurement costs.** The Group has commenced the operation of the new production plant located in Zhangzhou, after the completion of its construction, and will consider further expansion through acquisition should suitable acquisition opportunities arise, in order to satisfy the anticipated increases in the demand for tea and tea-related products. After the completion of acquisition of Zhejiang Tianfu Tea Industry Co., Ltd. (浙江天福茶業有限公司) in September 2013, the Group will be able to have a production facility strategically located in Zhejiang, where is the production base of Longjing tea and close to the retail outlets and retail points in Central and Northeast China, as well as to achieve optimization in procurement costs.

5. **Quality assurance.** The Group considers product quality assurance to be essential to its operations, and places particular emphasis on inspecting and controlling the quality of raw materials in its supply chain. The Group will continue its commitment to quality assurance going forward by further enhancing its internal testing capabilities.

   Looking forward, the Group's primary goal is to continue growing its business and increasing its market share by leveraging on its strong market position and sales network and the anticipated long-term growth in the PRC tea market.

FINANCIAL REVIEW

Revenue

During the six months ended 30 June 2014, the Group was engaged in the sale and marketing of a comprehensive range of tea products and the development of product concepts, tastes and packaging designs. The Group has manufacturing plants in Fujian province, Sichuan province and Zhejiang province, PRC. The Group's key products are tea leaves, tea snacks and tea ware, which it sells through a nationwide network of self-owned and third-party owned retail outlets and retail points.

During the six months ended 30 June 2014, the Group derived substantially all of its revenue from the sales of tea leaves, tea snacks and tea ware. The revenue of the Group increased by 6.1% from RMB832.1 million for the six months ended 30 June 2013 to RMB883.2 million for the six months ended 30 June 2014. The following table sets forth a breakdown of revenue by product category for the periods indicated:

	Six months ended 30 June			
	2014		2013	
	RMB'000	*%*	*RMB'000*	*%*
Revenue contributed from:				
Sales of tea leaves	**637,292**	**72.2**	602,561	72.4
Sales of tea ware	**116,849**	**13.2**	114,637	13.8
Sales of tea snacks	**100,803**	**11.4**	98,066	11.8
Others(1)	**28,292**	**3.2**	16,871	2.0
Total	**883,236**	**100.0**	832,135	100.0

Note:

(1) "Others" include revenue from restaurant, hotel, tourist, management service and catering management, beverage production and sales of pre-packaged food. The Group derived its revenue from these operations through the provision of accommodation, food and beverages and other ancillary services and ticket sales from its tea museums.

Revenue from sales of the Group's tea leaves increased by 5.8% from RMB602.6 million for the six months ended 30 June 2013 to RMB637.3 million for the six months ended 30 June 2014. Revenue from sales of the Group's tea ware increased by 1.9% from RMB114.6 million for the six months ended 30 June 2013 to RMB116.8 million for the six months ended 30 June 2014. Revenue from sales of the Group's tea snacks increased by 2.8% from RMB98.1 million for the six months ended 30 June 2013 to RMB100.8 million for the six months ended 30 June 2014. The increase in revenue across all three product categories were mainly due to acquisition occurred in 2013 and a series of nationwide tea-related exhibitions held.

Cost of sales

Cost of sales of the Group primarily comprises costs of inventory (mainly including costs of raw materials) and labour costs. Cost of sales of the Group increased by 4.5% from RMB321.9 million for the six months ended 30 June 2013 to RMB336.3 million for the six months ended 30 June 2014, primarily due to the increase in sales.

Gross profit and gross profit margin

As a result of the foregoing factors, gross profit of the Group increased by 7.2% from RMB510.2 million for the six months ended 30 June 2013 to RMB547.0 million for the six months ended 30 June 2014, with gross profit margin increasing from 61.3% for the six months ended 30 June 2013 to 61.9% for the six months ended 30 June 2014.

Distribution costs

The distribution costs of the Group increased by 6.3% from RMB245.2 million for the six months ended 30 June 2013 to RMB260.6 million for the six months ended 30 June 2014. The increase of distribution costs was primarily due to (i) an increase in expenditure on sales personnel to RMB78.5 million for the six months ended 30 June 2014 as compared to RMB67.9 million for the six months ended June 2013 as a result of the increase of revenue, and (ii) the operating lease expenses increased to RMB77.2 million for the six months ended 30 June 2014 as compared to RMB72.8 million for the six months ended June 2013.

Administrative expenses

Administrative expenses for the Group increased by 10.8% from RMB95.5 million for the six months ended 30 June 2013 to RMB105.9 million for the six months ended 30 June 2014. The increase was primarily due to the increase in depreciation of property, plant and equipment as a result of the expansion in the Group's production capacity and the increase in tax charge and transportation expenses.

Other income

Other income of the Group increased by 43.8% from RMB4.4 million for the six months ended 30 June 2013 to RMB6.3 million for the six months ended 30 June 2014. The increase was primarily due to an increase in government subsidies.

Other gains, net

Other gains of the Group were RMB1.2 million for the six months ended 30 June 2014, as compared to other gains of RMB0.7 million for the six months ended 30 June 2013, primarily due to an increase in net foreign exchange gains of RMB0.5 million.

Finance income

Finance income of the Group increased from RMB5.4 million for the six months ended 30 June 2013 to RMB8.2 million for the six months ended 30 June 2014, primarily due to the increase in interest income as a result of placing our funds as bank deposits.

Finance costs

Finance costs of the Group decreased slightly from RMB3.4 million for the six months ended 30 June 2013 to RMB3.3 million for the six months ended 30 June 2014 and finance costs for both periods were comparable.

Share of profits of joint ventures

Share of profits of joint ventures of the Group was RMB0.4 million and RMB0.7 million for the six months ended 30 June 2014 and 2013, respectively.

Income tax expense

Income tax expense of the Group increased by 9.1% from RMB49.1 million for the six months ended 30 June 2013 to RMB53.6 million for the six months ended 30 June 2014, primarily due to an increase in the Group's profit before income tax from RMB177.3 million for the six months ended 30 June 2013 to RMB193.5 million for the six months ended 30 June 2014.

Profit for the period

As a result of the foregoing factors, profit of the Group, all of which was attributable to the owners of the Company, increased by RMB11.7 million, or 9.1%, from RMB128.2 million for the six months ended 30 June 2013 to RMB139.9 million for the six months ended 30 June 2014. Net profit margin of the Group increased from 15.4% for the six months ended 30 June 2013 to 15.8% for the six months ended 30 June 2014, primarily due to increase in gross profit and net finance income.

Liquidity and capital resources

Cash position

The operations of the Group are capital intensive, and its liquidity requirements arise principally from the need for working capital to finance its operations and expansions. The Group has historically met its working capital and other capital requirements principally from cash generated from its operations, bank borrowings and capital contributions by its shareholders.

The Group's cash and cash equivalents increased by RMB15.5 million, or 7.7%, from RMB202.3 million as at 31 December 2013 to RMB217.8 million as at 30 June 2014, primarily due to an increase in borrowings.

The Group had net cash inflow from operating activities of RMB152.3 million, net cash outflow from investing activities of RMB356.7 million and net cash inflow from financing activities of RMB219.8 million for the six months ended 30 June 2014.

Bank borrowings and gearing ratio

The Group had total bank borrowings of RMB467.5 million as at 30 June 2014 compared to RMB121.5 million as at 31 December 2013. As at 30 June 2014, the weighted average effective interest rate of the Group's bank borrowings was 2.7%, and 6.4% of the Group's bank borrowings were denominated in RMB, while 68.1% were denominated in USD and 25.5% were denominated in HKD.

As at 30 June 2014, bank borrowings of RMB92.3 million were guaranteed by Mr. Lee Rie-Ho, Mr. Lee Chia Ling and Mr. Lee Kuo-Lin, all of whom are the directors of the Company and bank borrowings of RMB41.5 million were secured by bank deposits of RMB46.0 million of the Group. As at 30 June 2013, bank borrowings of RMB10.0 million were secured by land use rights and property, plant and equipment of the Group with net book values of RMB3.9 million and RMB5.8 million, respectively, and bank borrowings of RMB128.4 million were secured by bank deposits of RMB133.5 million of the Group. Our Directors are of the view that the guarantee of bank borrowings of RMB92.3 million by Mr. Lee Rie-Ho, Mr. Lee Chia Ling and Mr. Lee Kuo-Lin, being a form of financial assistance (as defined in the Listing Rule) for the benefit of the Group, was on normal commercial terms where no security over the assets of the Group was granted in respect of such financial assistance provided by Mr. Lee Rie-Ho, Mr. Lee Chia Ling and Mr. Lee Kuo-Lin. Accordingly, such guarantee is exempt from all reporting, announcement and independent shareholders' approval requirements pursuant to Rule 14A.90 of the Listing Rule.

The Group regularly monitors its gearing ratio, which represents total debt as a percentage of total capital. Total debt is calculated as total borrowings. Total capital is calculated as total equity plus total debt. As at 30 June 2014, the gearing ratio of the Group was 19.7%, compared to 6% as at 31 December 2013. The increase during the first half of 2014 was primarily due to the increase of total debt from RMB121.5 million as at 31 December 2013 to RMB467.5 as at 30 June 2014.

Working capital

	As at 30 June 2014	As at 31 December 2013
	RMB'000	*RMB'000*
Trade and other receivables	**234,435**	239,893
Trade and other payables	**198,534**	271,692
Inventories	**401,199**	423,691
Trade receivables turnover days[(1)]	**106**	99
Trade payables turnover days[(2)]	**68**	64
Inventories turnover days[(3)]	**221**	222

Notes:

(1) Trade receivables turnover days = the average of the beginning and ending trade receivables balances for the period, divided by revenue from wholesales to third-party retailers plus sales from the Group's self-owned retail points located in hypermarkets and department stores and sales through other sales channels mainly representing wholesales to other end customers for the period, multiplied by the number of days in the period.

(2) Trade payables turnover days = the average of the beginning and ending trade payables balances for the period, divided by cost of sales for the period, multiplied by the number of days in the period.

(3) Inventories turnover days = the average of the beginning and ending inventory balances for the period, divided by the cost of sales for the period, multiplied by the number of days in the period.

The Group's trade and other receivables represent primarily balances due from third-party retailers. The Group's trade and other receivables decreased by RMB5.5 million from RMB239.9 million as at 31 December 2013 to RMB234.4 million as at 30 June 2014, primarily due to decrease of trade receivables from the third parties as a result of seasonally affected sales of the Group.

The Group's trade and other payables principally comprise payables to its raw material suppliers, employee benefit payables, other taxes payable, accrued operating expenses and advances from customers. The Group's trade and other payables decreased from RMB271.7 million as at 31 December 2013 to RMB198.5 million as at 30 June 2014, primarily due to (i) a decrease in other taxes payable, as a result of the decrease in value added tax payable as of 30 June 2014, compared with that as of 31 December 2013, and (ii) a decrease in trade payables due to third parties, as a result of seasonally affected purchases and faster payment to third parties.

The Group's inventories comprise raw materials (including packaging materials), work-in-progress and finished goods. The Group's inventories decreased from RMB423.7 million as at 31 December 2013 to RMB401.2 million as at 30 June 2014, because of a decrease in purchase volume.

As at 30 June 2014, the Group has sufficient working capital and financial resources to support its regular operation.

Foreign exchange risk

The Group's normal operating activities are principally conducted in RMB, since all of its operating subsidiaries are based in the PRC. As at 30 June 2014, most of the operating entities' revenues, expenses, assets and liabilities were denominated in RMB. The Group's foreign exchange risk mainly arises from the portion of its sales and purchases of products denominated in USD and financing activities denominated in USD and HKD. The opinion of the directors of the Company (the "**Directors**") is that the Group does not have significant foreign currency risk exposure.

Any future depreciation of RMB could adversely affect the value of any dividends the Group pays to its shareholders. The Group currently does not engage in hedging activities designed or intended to manage such exchange rate risk.

Contingent liabilities

The Group had no material contingent liabilities as at 30 June 2014.

EMPLOYEE AND REMUNERATION POLICY

As at 30 June 2014, the Group had a total of 5,421 employees with 5,417 employees based in the PRC and 4 employees based in Hong Kong. For the six months ended 30 June 2014, the labour costs of the Group was RMB150.9 million.

The Group's employee remuneration policy is determined by reference to factors such as remuneration in respect of the local market, the overall remuneration standard in the industry, inflation level, corporate operating efficiency and employee performance. The Group conducts performance appraisal once every year for its employees, the results of which are applied in annual salary review and promotional assessment. The Group's employees are considered for annual bonuses according to certain performance criteria and appraisal results. Social insurance contributions are made by the Group for its PRC employees in accordance with the relevant PRC regulations.

The Group also provides continuous learning and training programs to its employees to enhance their skills and knowledge, so as to maintain their competitiveness and improve customer service. The Group did not experience any major difficulties in recruitment, nor did it experience any material loss in manpower or any material labour dispute during the six month period ended 30 June 2014.

The Company adopted a share option scheme on 17 December 2010. During the six months ended 30 June 2014, the Company did not grant any options to subscribe for shares of the Company.

OTHER INFORMATION

Purchase, Sales or Redemption of Shares

During the six months ended 30 June 2014, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

Corporate Governance

The Company is committed to the establishment of stringent corporate governance practices and procedures with a view to enhancing investor confidence and the Company's accountability and transparency. The Company strives to maintain a high standard of corporate governance. For the six months ended 30 June 2014, the Company has complied with the code provisions included in the Corporate Governance Code (the "**CG Code**") and there has been no deviation from the code provisions as set forth under the CG Code for the six months ended 30 June 2014.

Model Code for Securities Transactions by Directors

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as the code for dealings in securities transactions by the Directors. Specific enquiries have been made with all Directors and they have confirmed their compliance with the required standard set out in the Model Code throughout the six months ended 30 June 2014.

Interim Dividend

At the Board meeting held on 19 August 2014, it was resolved that an interim dividend of HKD0.07 (equivalent to RMB0.056) per share (2013 interim dividend: HKD0.07 (equivalent to RMB0.056) per share) be paid on or around 29 September 2014 to the shareholders (the "**Shareholders**") of the Company whose names appear on the Company's register of members on 17 September 2014. The total amount of the dividend to be paid is approximately 50% of the consolidated after tax net profit of the Group for the six months ended 30 June 2014, which is similar to the basis of dividend paid for the same period last year.

Closure of Register of Members

For determining the entitlement to the interim dividend, the register of members of the Company will be closed from 15 September 2014 to 17 September 2014, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for the interim dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on 12 September 2014.

Review of Accounts

The audit committee of the Company (the "**Audit Committee**") comprises the three independent non-executive Directors and one non-executive Director. The Audit Committee and the Company's management have reviewed the accounting principles and practices adopted by the Group, and discussed internal control and financial reporting matters including review of the unaudited interim results of the Group for the six months ended 30 June 2014. The condensed consolidated interim financial statements of the Group for the six months ended 30 June 2014 have also been reviewed by PricewaterhouseCoopers, the external auditor of the Company, in accordance with Hong Kong Standard on Review Engagement 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 Report

This interim results announcement is published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (http://www.tenfu.com). The interim report of the Company for the six months ended 30 June 2014 containing all the information required by the Listing Rules will be despatched to the Shareholders and made available for review on the aforesaid websites in due course.

By order of the Board
Tenfu (Cayman) Holdings Company Limited
Lee Chia Ling
Director

Hong Kong, 19 August 2014

As at the date of this announcement, the Board comprises nine members, of which Mr. Lee Rie-Ho, Mr. Lee Shih-Wei, Mr. Lee Chia Ling and Mr. Lee Kuo-Lin are the executive Directors; Mr. Tseng Ming-Sung and Mr. Wei Ke are the non-executive Directors and Mr. Lo Wah Wai, Mr. Lee Kwan Hung and Mr. Fan Ren Da, Anthony are the independent non-executive Directors.