TAKSON HOLDINGS LIMITED
第一德勝控股有限公司*

(Incorporated in Bermuda with limited liability)

website: http://www.takson.com

(Stock Code: 918)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2016

RESULTS

The Board of Directors of Takson Holdings Limited ("the Company") announces the audited consolidated results of the Company and its subsidiaries (together the "Group") for the year ended 31st March, 2016 (the "Financial Year"), together with the comparative figures for the year ended 31st March, 2015 as follows:

* *for identification purpose only*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March, 2016

	Note	**2016**	2015
		HK$'000	*HK$'000*
Turnover	*3*	**158,354**	255,135
Cost of sales		**(118,680)**	(209,608)
Gross profit		**39,674**	45,527
Other income	*3*	**711**	331
Selling, distribution and marketing expenses		**(17,047)**	(17,838)
Administrative expenses		**(32,158)**	(26,823)
Net (loss)/gain on foreign currency forward contracts		**(8,262)**	326
Change in fair value of investment properties		**(3,536)**	1,904
Operating (loss)/profit		**(20,618)**	3,427
Finance costs	*4*	**(2,711)**	(3,222)
(Loss)/profit before taxation	*5*	**(23,329)**	205
Income tax (expense)/credit	*6*	**(2,264)**	305
(Loss)/profit for the year		**(25,593)**	510
Other comprehensive income for the year (after tax and reclassification adjustments)			
Items that will not be reclassified to profit or loss:			
Surplus on revaluation of buildings held for own use		**301**	1,886
Total comprehensive (loss)/income for the year		**(25,292)**	2,396
(Loss)/profit for the year attributable to:			
Equity holders of the Company		**(25,593)**	510
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		**(25,292)**	2,396
(Loss)/earnings per share attributable to equity holders of the Company			
— basic *(HK cents)*	*7*	**(3.30)**	0.07
— diluted *(HK cents)*	*7*	**(3.30)**	0.07

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March, 2016

	Note	2016 HK$'000	2015 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**11,452**	11,204
Leasehold land		**15,467**	15,959
Investment properties		**78,790**	82,326
Deferred tax assets		**3,107**	5,356
		108,816	114,845
Current assets			
Inventories		**1,260**	6,339
Trade and bills receivables	8	**759**	3,268
Deposits, prepayments and other receivables		**25,101**	30,699
Pledged bank deposit		**4,509**	4,500
Cash and cash equivalents		**8,009**	8,413
		39,638	53,219
Total assets		**148,454**	168,064
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital		**77,540**	77,540
Reserves		**(37,620)**	(12,328)
Total equity		**39,920**	65,212

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March, 2016

	Note	2016 HK$'000	2015 HK$'000
LIABILITIES			
Non-current liabilities			
Bank borrowings and obligations under finance leases		**614**	659
Post employment benefits		**—**	263
Deferred tax liabilities		**4,780**	4,721
		5,394	5,643
Current liabilities			
Trade payables	*9*	**2,407**	892
Other payables and accrued charges		**5,070**	4,500
Derivative financial liability		**4,499**	—
Bank borrowings and obligations under finance leases		**91,164**	91,817
		103,140	97,209
Total liabilities		**108,534**	102,852
Total equity and liabilities		**148,454**	168,064
Net current liabilities		**(63,502)**	(43,990)
Total assets less current liabilities		**45,314**	70,855

Notes:

1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") (which include Hong Kong Accounting Standards ("HKAS") and Interpretations), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and buildings.

2. Application of new and revised Hong Kong Financial Reporting Standards ("HKFRSs")

New and revised Standards, Amendments and Interpretations applied in the current year

In the current year, the Group has applied for the following amendments to HKFRSs and new interpretation issued by the HKICPA for the first time for the financial year beginning 1st April 2015:

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 cycle

The adoption of these amendments to standards and new interpretation did not have any material impact on the preparation and presentation of the Group's consolidated financial statements.

New and revised Standards, Amendments and Interpretations issued but not yet effective

The Group and the Company have not early applied the following new and revised Standards, Amendments and Interpretations that have been issued but are not yet effective:

	Effective for accounting periods beginning on or after
HKFRS 9, Financial instruments	1st January 2018
HKFRS 14, Regulatory deferral accounts	1st January 2016
HKFRS 15, Revenue from contracts with customers	1st January 2018
HKFRS 16, Leases	1st January 2019
Amendments to HKAS 1, Disclosure initiative	1st January 2016
Amendments to HKAS 16 and HKAS 38, Clarification of acceptable methods of depreciation and amortisation	1st January 2016
Amendments to HKAS 16 and HKAS 41, Agriculture: Bearer plants	1st January 2016
Amendments to HKAS 27, Equity method in separate financial statements	1st January 2016
Amendments to HKFRS 10 and HKAS 28, Sale or contribution of assets between an investor and its associate or joint venture	date to be determined

	Effective for accounting periods beginning on or after
Amendments to HKFRS 10, HKFRS 12 and HKAS 28, Investment entities: Applying the consolidation exception	1st January 2016
Amendments to HKFRS 11, Accounting for acquisitions of interests in joint operations	1st January 2016
Amendments to HKFRSs, Annual improvement to HKFRSs 2012 – 2014 cycle	1st January 2016

The Group is in the process of making an assessment of the potential impact of other new/revised HKFRSs and the directors so far concluded that the application of the other new/revised HKFRSs will have no material impact on the results and the financial position of the Group.

3. Revenue and segment Information

The Group is principally engaged in the sourcing, subcontracting, marketing and selling of outerwear garments and sportswear products, and property investment. Revenue recognised during the year is as follows:

	Export business		Property investment		Consolidated	
	2016	2015	**2016**	2015	**2016**	2015
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Turnover						
Sales of goods/rental income	**155,468**	251,807	**2,886**	3,328	**158,354**	255,135
Other income						
Other interest income	**154**	149	**—**	—	**154**	149
Income from sample sales	**121**	—	**—**	—	**121**	—
Gain on disposal of property, plant and equipment	**—**	2	**—**	—	**—**	2
Sundry income	**436**	180	**—**	—	**436**	180
	711	331	**—**	—	**711**	331
Net (loss)/gain on foreign currency forward contracts	**(8,262)**	326	**—**	—	**(8,262)**	326
Change in fair value of investment properties	**—**	—	**(3,536)**	1,904	**(3,536)**	1,904

The Group operates mainly in Hong Kong and the People's Republic of China ("PRC") and in the following business segments:

Export business – Sales of outerwear and other garments to overseas customers.

Property investment – Investing and letting of properties.

Primary reporting format — business segments

	2016 Export business HK$'000	2016 Property investment HK$'000	2016 Total HK$'000
Turnover	**155,468**	**2,886**	**158,354**
Segment operating loss	**(194)**	**(14,320)**	**(14,514)**
Unallocated corporate expenses			**(6,104)**
Operating loss			**(20,618)**
Finance costs	**(2,622)**	**(89)**	**(2,711)**
Loss before taxation			**(23,329)**
Income tax expense			**2,264**
Loss for the year			**(25,593)**
Segment assets	**45,561**	**102,293**	**147,854**
Unallocated assets			**600**
Total assets			**148,454**
Segment liabilities	**88,333**	**18,455**	**106,788**
Unallocated liabilities			**1,746**
Total liabilities			**108,534**
Capital expenditure	**927**	**436**	**1,363**
Depreciation of property, plant and equipment	**656**	**334**	**990**
Amortisation of leasehold land	**—**	**492**	**492**
Change in fair value of investment properties	**—**	**3,536**	**3,536**
Net loss on foreign currency forward contracts	**8,262**	**—**	**8,262**

	2015		
	Export business	Property investment	Total
	HK$'000	*HK$'000*	*HK$'000*
Turnover	251,807	3,328	255,135
Segment operating profit/(loss)	13,865	(7,313)	6,552
Unallocated corporate expenses			(3,125)
Operating profit			3,427
Finance costs	(3,149)	(73)	(3,222)
Profit before taxation			205
Income tax credit			305
Profit for the year			510
Segment assets	60,747	106,768	167,515
Unallocated assets			549
Total assets			168,064
Segment liabilities	93,300	8,522	101,822
Unallocated liabilities			1,030
Total liabilities			102,852
Capital expenditure	189	321	510
Depreciation of property, plant and equipment	745	256	1,001
Amortisation of leasehold land	—	493	493
Change in fair value of investment properties	—	(1,904)	(1,904)
Net gain on foreign currency forward contracts	(326)	—	(326)

Secondary reporting format – geographical segments

	2016		
	Turnover	**Specified Non-current assets**	**Capital expenditure**
	HK$'000	***HK$'000***	***HK$'000***
Hong Kong	**812**	**59,061**	**1,363**
PRC	**2,075**	**46,648**	**—**
United States of America	**150,949**	**—**	**—**
Canada	**4,518**	**—**	**—**
	158,354	**105,709**	**1,363**

	2015		
	Turnover	Specified non-current assets	Capital expenditure
	HK$'000	*HK$'000*	*HK$'000*
Hong Kong	1,212	60,614	510
PRC	2,116	48,875	—
United States of America	244,924	—	—
Canada	6,883	—	—
	255,135	109,489	510

Revenue is allocated based on the country in which the customers are located. Specified non-current assets and capital expenditure are allocated based on where the assets are located.

Information about major customers

Revenue from customers in the corresponding years contributing over 10% of the total sales of the Group from the export business is as follows:

	2016	2015
	HK$'000	*HK$'000*
Customer A	**123,961**	174,790
Customer B	**—**	42,271

4. Finance costs

	2016	2015
	HK$'000	*HK$'000*
Interest on bank loans and overdrafts	**2,667**	3,180
Interest element of finance lease obligations	**39**	42
Interest on other loan	**5**	—
	2,711	3,222

5. (Loss)/profit before taxation

(Loss)/profit before taxation is stated after charging/(crediting) the following:

	2016	2015
	HK$'000	*HK$'000*
Cost of inventories sold	**118,680**	209,608
Amortisation of leasehold land	**492**	493
Auditor's remuneration	**550**	343
Depreciation	**990**	1,001
Fair value change of investment properties	**3,536**	(1,904)
Net exchange loss	**748**	429
Loss/(gain) on disposal of property, plant and equipment	**53**	(2)
Operating lease rentals in respect of land and buildings	**1,733**	2,060
Staff costs, including directors' emoluments	**24,798**	21,210

6. Income tax

(a) The amount of taxation charged/(credited) to the consolidated statement of profit or loss and other comprehensive income represents:

	2016	2015
	HK$'000	*HK$'000*
Current tax – Hong Kong	**—**	—
Current tax — overseas	**15**	13
Deferred tax		
Unused tax losses utilised/(recognised)	**1,914**	(318)
Origination and reversal of temporary differences	**335**	—
	2,264	(305)

No provision for Hong Kong profits tax has been made as the current year's taxable profits has been set-off by previous years' loss (2015: Nil).

(b) At the end of the reporting period, the Group has unused tax losses of HK$153,872,000 (2015: HK$137,006,000) available for offset against future profits that may be carried forward indefinitely.

The tax on the Group's profit before taxation differs from the theoretical amount that would arise using Hong Kong profits tax rate as follows:

	2016	2015
	HK$'000	*HK$'000*
(Loss)/profit before taxation	**(23,329)**	205
Tax at Hong Kong profits tax rate of 16.5% (2015: 16.5%)	**(3,849)**	34
Effect of different tax rate in other countries	**3**	8
Tax effect of non-taxable revenue	**(360)**	(437)
Tax effect of non-deductible expenses	**481**	271
Tax effect of unused tax losses not recognised	**5,228**	2,552
Tax effect of origination and reversal of temporary differences	**761**	(612)
Tax effect of prior year's unrecognised tax losses utilized in this year	**—**	(2,121)
Income tax	**2,264**	(305)

7. (Loss)/earnings per share

Basic (loss)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	2016	2015
(Loss)/profit attributable to the equity holders of the Company *(HK$'000)*	**(25,593)**	510
Weighted average number of ordinary shares in issue for the purpose of basic (loss)/earnings per share *(thousands)*	**775,406**	775,406
Basic (loss)/earnings per share *(HK cents)*	**(3.30)**	0.07
Diluted (loss)/earnings per share *(HK cents)*	**(3.30)**	0.07

8. Trade and bills receivables

As at the end of the reporting period, the ageing analysis of trade and bills receivables is as follows:

	2016	2015
	HK$'000	*HK$'000*
0 to 30 days	—	109
1 to 3 months	—	800
4 to 6 months	**759**	2,359
	759	3,268

All trade and bills receivables were denominated in US dollars.

Majority of the Group's export sales are generally on open account of 30 days and letter of credit at sight. The Group considers that the trade and bills receivables as at 31st March, 2016 are fully recoverable and believes that no impairment allowance is necessary.

9. Trade payables

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

	2016	2015
	HK$'000	*HK$'000*
0 to 30 days	**2,289**	147
1 to 3 months	—	212
4 to 6 months	—	118
Over 6 months	**118**	415
	2,407	892

Trade payables as at 31st March, 2016 and 31st March, 2015 were all denominated in US dollars.

Payment terms with suppliers are generally on letters of credit and open account. Certain suppliers grant credit terms between 30 to 60 days.

10. Final dividend

The Directors do not recommend the payment of a final dividend for the year ended 31st March, 2016 (2015: HK$ Nil).

BUSINESS REVIEW

Export business

In the year under review, the Group continued to focus its effort in Original Design Manufacturer ("ODM") business with higher value added to leverage the production capacity of its sub-contracting factories. The strategic move to phase out seasonal promotion programmes and market consolidation resulted in a decrease in turnover of 38.2% to HK$155.5 million.

Global Sportswear Corporation, a wholly owned subsidiary incorporated in the Washington State of USA, continued to engage in garment trading business in the year under review. Turnover fell from HK$10.6 million in 2015 to HK$6.2 million in the year under review. With effective cost control, the operation was marginally profitable.

Gross profit margin increased from approximately 16.8% in the previous year to approximately 23.7% in the year under review. The increase was due to the strategic move to phase out seasonal promotional programmes with low margins to better utilise the production capacities of sub-contractors in the peak season. Selling, distribution and marketing expenses decreased by 4.4% due to less spending in product development. Administrative expenses increased by 19.9% mainly due to increase in payroll cost for more managerial grade staff and bonus payment to retain staff of all grades. Finance cost decreased by 15.9% due to decrease in utilisation of bank facilities from lower business volume.

Moving forward, the Group will continue to grow the ODM business by creating a diversity of design and apparel collection and provide a one stop solution to meet the procurement needs of its customers.

Property investment

The Group continued to lease its investment properties in Hong Kong and China and recorded rental income of HK$2.9 million compared to HK$3.3 million in the previous year. As at the end of the reporting period, all investment properties were fully let out. The investment property portfolio of the Group reported fair value loss of HK$3,536,000 (2015: fair value gain of HK$1,904,000).

FINANCIAL REVIEW

During the Financial Year, the Group has recorded a turnover of approximately HK$158.4 million as compared to HK$255.1 million last year, representing an decrease of approximately 37.9%. The turnover for the export business and property investment was approximately HK$155.5 million (2015: HK$251.8 million) and HK$2.9 million (2015: HK$3.3 million) respectively. The decrease in turnover of the export business was a result of a strategic move to phase out seasonal promotional programmes and market consolidation.

The gross profit margin of the export business was approximately 23.7% (2015: 16.8%). The increase was due to phasing out of seasonal promotional programmes with lower margins and lower procurement cost arising from strengthening of US dollars against RMB.

Prospects

With the success of its ODM business and new product lines launched in the year under review, the Group will put more resources in expanding its ODM business which offers reasonable margins and also provide value for money procurement services to its OEM customers. Besides the garment export business, the Group will look for other business opportunities that would utilise the Group's procurement and sourcing network in the PRC and the United States. The Group is also putting more resources in developing product lines for selling in spring/summer season to reduce its reliance on fall/winter season. The property investment business continues to provide a steady stream of income to the Group. The Board is optimistic of the future of the Group.

LIQUIDITY AND FINANCIAL RESOURCES

The Group generally finances its operations by its own working capital, trade facilities and revolving bank loans provided by its principal bankers in Hong Kong. Total net cash inflow from operations amounted to approximately HK$3.8 million for the Financial Year (2015: outflow of HK$2.3 million).

As at 31st March, 2016, the Group's net borrowings comprised bank loans and obligations under finance leases, the aggregate amount of which was approximately HK$91.8 million (2015: HK$92.5 million). Among the total outstanding amounts of bank loans and obligations under finance leases as at 31st March, 2016, 87% (2015: 84%) is repayable within the next year, 3% (2015: 3%) is repayable within the second year and the remaining 10% (2015: 13%) repayable in the third to fifth year. The Group's bank loans are subject to floating interest rates while obligations under finance leases are subject to fixed interest rates.

The ratio of current assets to current liabilities of the Group was 0.38 as at 31st March, 2016 compared to 0.55 as at 31st March, 2015. The Group's gearing ratio as at 31st March, 2016 was 0.73 (2015: 0.61) which is calculated based on the Group's total liabilities of HK$108.5 million (2015: HK$102.8 million) and the Group's total assets of HK$148.5 million (2015: HK$168.1 million). As at 31st March, 2016, the Group's deposits, prepayments and other receivables included trade deposits paid to various sub-contracting factories and fabric suppliers of HK$18.6 million (2015: HK$21.2 million). As at 31st March, 2016, the Group's total cash and bank balances amounted to HK$8.0 million compared to HK$8.4 million as at 31st March, 2015. The cash and bank balances together with the available banking facilities can provide adequate liquidity and capital resources for the ongoing operating requirements of the Group.

The monetary assets and liabilities and business transaction of the Group are mainly carried out and conducted in Hong Kong dollars and United States dollars. The Group maintains a prudent strategy in its foreign exchange risk management, with the foreign exchange risks being minimised through balancing the monetary assets versus monetary liabilities, and foreign currency revenue versus foreign currency expenditure. The Group entered into a RMB/USD net-settled structured foreign currency forward contract of US$1.2 million notional amount with 14 equal monthly settlements to manage its foreign currency risk. The mark to market value of the contract as at 31st March, 2016 was a loss of HK$4.5 million and the same was fully provided for and included in net loss on foreign currency forward contracts in the consolidated statement of profit or loss and other comprehensive income for the year under review. Subsequent to the financial year end, the contract was unwound at a cost of HK$5.6 million. Hence, a further loss of HK$1.1 million will be reflected in the financial year ending 31st March, 2017.

CHARGE OF ASSETS

As at 31st March, 2016, the investment properties and leasehold land and buildings in Hong Kong and the PRC held by the Group with an aggregate carrying value of approximately HK$101.2 million (2015: HK$105.4 million) and a fixed deposit of HK$4.5 million (2015: HK$4.5 million) were pledged as first legal charge for the Group's banking facilities.

CONTINGENT LIABILITIES AND LITIGATION

The Company has executed guarantees with respect to banking facilities made available to its subsidiaries. As at 31st March, 2016, the facilities utilised amounted to HK$91.8 million (2015: HK$92.5 million). The Group entered into a derivative foreign exchange contract and would incur losses if exchange rate of RMB fell below 6.60 against US$1 on the expiration dates. Subsequent to the financial year end, the contract was unwound and the resultant loss of HK$1.1 million will be reflected in the financial year ending 31st March, 2017.

Except for the foregoing, as at 31st March, 2016, the Group had no other significant contingent liabilities or pending litigation.

EMPLOYEES

As of 31st March, 2016, the Group had a total of 45 employees (2015: 50 employees). The decrease in the number of employees was due to seasonal factor and natural wastage. Total staff costs (including directors' remuneration) for the year amounted to approximately HK$24.8 million (2015: HK$21.2 million) due to increase in head count during the year and performance based payment to staff.

The Group remunerates its employees (including Directors) primarily with reference to industry practices, including contributory provident funds, insurance and medical benefits. The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. The Group has also adopted a discretionary bonus scheme for management and staff with awards which are determined annually based upon the performance of the Group and individual employees. As at 31st March, 2016, the Group has no outstanding share options issued to its Directors and employees for the purpose of providing incentives or rewards to the eligible employees for their contribution to the Group.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the Financial Year. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's shares during the Financial Year.

REVIEW OF FINAL RESULTS

The Audit Committee has reviewed the annual results of the Group for the year ended 31st March, 2016.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

The Company has complied with all the code provisions as set out in the Code of Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") throughout the Financial Year, except for the deviations from Code Provisions A.2.1 and A.4.1. Further details of the Company's corporate governance practices are set out in the Corporate Governance Report in the Annual Report for the Financial Year.

Chairman and Chief Executive Officer

Code provision A.2.1 stipulates that the roles of the chairman and the chief executive officer of the Company should be separate and should not be performed by the same individual.

The Company has deviated from the Code provision A.2.1 and the roles of the chairman and the chief executive officer of the Company are now performed by the same person. Mr. Wong Tek Sun, Takson now assumes the roles of both the chairman and chief executive officer of the Company. The Board intends to maintain this structure for the time being as it believes that this structure can provide the Group with strong and consistent leadership and allows more effective planning and execution of long-term business strategies.

One of the important roles of the Chairman is to provide leadership to the Board to ensure that the Board always acts in the best interests of the Group. The Chairman shall ensure that the Board works effectively and fully discharges its responsibilities, and that all key issues are discussed by the Board in a timely manner. All Directors have been consulted about any matters proposed for inclusion in the agenda.

The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Company. The balance of power and authority is ensured by the composition of the Board which comprises experienced independent non-executive Directors and experienced management team. The Board will also evaluate the existing structure from time to time.

Term of the non-executive Directors

Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term and are subject to re-election.

The Company has deviated from the Code provision A.4.1. The non-executive Directors (including independent non-executive Directors) are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting pursuant to Bye-law 87 of the Company's Bye-laws.

The Board believes that, despite the absence of specified term of non-executive Directors, the Directors are committed to representing the long-term interests of the shareholders of the Company.

Audit Committee

The written terms of reference which describe the authority and duties of Audit Committee were prepared and adopted with reference to "A Guide for The Formation of An Audit Committee" published by the Hong Kong Institute of Certified Public Accountants.

The Audit Committee provides an important link between the Directors and the Company's auditor in matters coming within the scope of the audit of the Group. It also reviews the effectiveness of the external audit and the internal controls and risk evaluation. Currently, the Audit Committee comprises two independent non-executive Directors, namely, Mr. Wong Kwok Tai and Dr. Motwani, Manoj Kumar, and a non-executive Director, Mr. Wong Tak Yuen. Two meetings were held during the year.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the HKEx website (http://www.hkex.com.hk) and the Company's website (http://www.takson.com). The 2016 annual report containing all the information required by the Rules Governing the Listing of Securities on the Stock Exchange will be published on the HKEx website and the Company's website in due course.

By Order of the Board
Wong Tek Sun, Takson
Chairman

Hong Kong, 29th June, 2016

As at the date of this announcement, the Board comprises two executive directors, namely Mr. Wong Tek Sun, Takson and Ms. Pang Shu Yuk, Adeline Rita; three independent non-executive directors, namely Mr. Cunningham, James Patrick, Mr. Wong Kwok Tai and Dr. Motwani, Manoj Kumar and two non-executive directors, namely Mr. Wong Tak Yuen and Ms. Pang She Kwok, Szwina.