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JUDA INTERNATIONAL HOLDINGS LIMITED
鉅大國際控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock code: 1329)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2012

The board of directors (the "Directors") of Juda International Holdings Limited (the "Company") hereby announces the audited consolidated annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2012 together with the comparative figures for the year ended 31 March 2011 as follows:

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

For the Year Ended 31 March 2012

	Notes	**2012** **HK$'000**	2011 HK$'000
Turnover	4	**294,425**	202,727
Cost of sales		**(255,852)**	(166,341)
Gross profit		**38,573**	36,386
Other revenue	5	**578**	638
Selling expenses		**(697)**	(449)
Administrative expenses		**(9,308)**	(7,625)
Profit from operations	6	**29,146**	28,950
Finance costs	7	**(4,567)**	(3,550)
Profit before taxation		**24,579**	25,400
Taxation	8	**(4,336)**	(3,354)
Profit for the year		**20,243**	22,046
Other comprehensive income for the year, net of tax:			
Exchange difference on translation of foreign operations		**4,282**	4,136
Total comprehensive income for the year, net of tax		**24,525**	26,182
Profit for the year attributable to owners of the Company		**20,243**	22,046
Total comprehensive income attributable to owners of the Company		**24,525**	26,182
Earnings per share attributable to owners of the Company:	10		
— Basic (HK cents per share)		**10.12**	11.02
— Diluted (HK cents per share)		**10.12**	11.02

Consolidated Statement of Financial Position
As at 31 March 2012

	Notes	**2012** **HK$'000**	2011 HK$'000
Non-current assets			
Prepaid lease payments		**1,892**	1,881
Property, plant and equipment		**82,586**	84,455
		84,478	86,336
Current assets			
Inventories		**33,741**	19,931
Trade and bills receivables	*11*	**40,667**	12,084
Prepayments, deposits and other receivables		**10,472**	11,275
Cash and cash equivalents		**44,758**	70,143
		129,638	113,433
Less: Current liabilities			
Trade payables	*12*	**5,257**	6,582
Receipt in advance		**—**	8,936
Accruals and other payables		**7,634**	4,668
Amount due to a director		**—**	7
Amount due to a shareholder		**—**	73,688
Income tax payable		**859**	2,147
Bank borrowings		**61,380**	59,270
		75,130	155,298
Net current assets/(liabilities)		**54,508**	(41,865)
Total assets less current liabilities		**138,986**	44,471
Capital and reserves			
Share capital	*13*	**10**	—
Reserves		**138,976**	44,471
Total equity		**138,986**	44,471

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The consolidated financial statements in this announcement have been prepared in accordance with the Hong Kong Financial Reporting Standards (the "HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), accounting principles generally accepted in Hong Kong, the disclosure requirements of the Hong Kong Companies Ordinance and applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules"). These consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

The companies now comprising the Group underwent a reorganisation (the "Reorganisation") to rationalise the Group's structure in preparation for the listing of the Company's shares on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Upon the completion of the Reorganisation on 15 February 2012, the Company became the holding company of the companies comprising the Group. The Reorganisation included the following principal step:

a) On 1 July 2010, Lian Wang Limited (the "Lian Wang") was incorporated in the British Virgin Islands (the "BVI") with an authorised share capital of US$50,000 shares of US$1.00 each. On the date of its incorporation, 1 share and 9,999 shares were issued and allotted to Mr. Choi Lim Chi ("Mr. Choi") and Ms. Wong Sai ("Mrs. Choi"), the ultimate shareholders of the Company, respectively.

b) On 9 August 2010, the Company was incorporated in the Cayman Islands with an authorised share capital of HK$380,000 divided into 38,000,000 shares of HK$0.01 each. On the date of incorporation, one nil-paid subscriber share was transferred to Lian Wang.

c) On 5 July 2010, Shengfa Limited ("Shengfa") was incorporated in the BVI with an authorised capital of US$50,000 divided into 50,000 shares of US$1.00 each. On 27 August 2010, 1 share was issued and allotted to the Company for cash at par.

d) On 5 July 2010, Cheng Wang Limited ("Cheng Wang") was incorporated in the BVI with an authorised capital of US$50,000 divided into 50,000 shares of US$1.00 each. On 27 August 2010, 1 share was issued and allotted to Shengfa for cash at par.

e) On 3 February 2012, Cheng Wang acquired (i) the entire issued share capital of Great Top Investment Limited ("Great Top") from Mr. Choi and Mrs. Choi; and (ii) all the outstanding indebtedness in the aggregate sum of HK$79,990,000 due or owing from Great Top to Mr. Choi and Mrs. Choi. In consideration for such acquisition:

    (i) Cheng Wang had, at the direction of Mr. Choi and Mrs. Choi, procured the Company to:

        (aa) allot and issue 999,999 new shares, credited as fully paid, to Lian Wang;

        (bb) credit as fully paid at par 1 nil-paid share held by Lian Wang;

    (ii) 1 ordinary share of US$1.00 each in Shengfa, credited as fully paid, was allotted and issued to the Company; and

    (iii) 1 ordinary share of US$1.00 each in Cheng Wang, credited as fully paid, was allotted and issued to Shengfa.

The shares of the Company were successfully listed on the Main Board of the Stock Exchange on 2 April 2012.

The Group resulting from the Reorganisation is regarded as a continuing entity. Accordingly, these consolidated financial statements have been prepared using the principles of merger accounting as prescribed in Hong Kong Accounting Guideline 5 "Merger Accounting for Common Control Combinations" issued by the HKICPA, assuming that the current structure of the Group had been in existence throughout the two years ended 31 March 2012 and 2011.

The measurement basis used in the preparation of the consolidated financial statements is historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

2. BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if the results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

3. APPLICATION OF NEW AND REVISED HKFRSs

The HKICPA has issued certain new and revised standards, amendments and interpretations that are mandatory for accounting periods beginning on or after 1 April 2011. The new and revised standards, amendments and interpretations adopted in the current year are referred to as new and revised HKFRSs. A summary of the effect on initial adoption of these new and revised HKFRSs is set out below.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters
HKAS 24 (as revised in 2009)	Related Party Disclosures
HKAS 32 (Amendments)	Financial Instruments: Presentation — Classification of Rights Issues
HK(IFRIC)-Int 14 (Amendments)	Prepayments of a Minimum Funding Requirement
HK(IFRIC)-Int 19	Extinguishing Financial Liabilities with Equity Instruments

The impact of the application of the above new HKFRSs is discussed below:

HKAS 24 (as revised in 2009) clarifies and simplifies the definitions of related parties. The new definitions emphasise a symmetrical view of related party relationships and clarify the circumstances in which persons and key management personnel affect related party relationships of an entity. The revised standard also introduces an exemption from the general related party disclosure requirements for transactions with a government and entities that are controlled, jointly controlled or significantly influenced by the same government as the reporting entity. The accounting policy for related parties has been revised to reflect the changes in the definitions of related parties under the revised standard.

HKFRSs (Amendments) — Improvements to HKFRSs issued in 2010. There are separate transitional provisions for each standard. While the adoption of some of the amendments results in changes in accounting policies, none of these amendments has had a significant financial impact on the financial position or performance of the Group. Details of the key amendments applicable to the Group are as follows:

(a) HKFRS 1 (Amendments) addresses the presentation and disclosure requirements for an entity which changes its accounting policies or its uses of the exemptions contained in this HKFRS. It also introduces the use of the revaluation basis as deemed cost and extends the use of the deemed cost exemption to entities with operations subject to rate regulation.

(b) HKFRS 3 (Amendments) clarifies that the amendments to HKFRS 7, HKAS 32 and HKAS 39 that eliminate the exemption for contingent consideration do not apply to contingent consideration that arose from business combinations whose acquisition dates precede the application of HKFRS 3 (as revised in 2008).

In addition, the amendment limits the scope of measurement choices for non-controlling interests. Only the components of non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured at either fair value or at the present ownership instruments proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at their acquisition date at fair value, unless another measurement basis is required by another HKFRS.

The amendment also adds explicit guidance to clarify the accounting treatment for non-replaced and voluntarily replaced share-based payment awards.

(c) HKAS 1 (Amendments) clarifies that an analysis of each component of other comprehensive income can be presented either in the statement of changes in equity or in the notes to the financial statements. The Group elects to present the analysis of each component of other comprehensive income in the statement of changes in equity.

(d) HKAS 27 (Amendments) clarifies that the consequential amendments from HKAS 27 (as revised in 2008) made to HKAS 21, HKAS 28 and HKAS 31 shall be applied prospectively for annual periods beginning on or after 1 July 2009 or earlier if HKAS 27 is applied earlier.

(e) HKAS 34 (Amendments) requires the update of relevant information related to significant events and transactions in the most recent annual financial report. HKAS 34 now specifies events and transactions for which disclosures are required, and guidance has been added covering the application of the requirements for financial instruments.

Except for those as disclosed above, the directors anticipate that the application of these new HKFRSs has no material impact on the results and the financial position of the Group.

The Group has not applied in advance the following new and revised HKFRSs that have been issued but are not yet effective.

HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income[3]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[2]
HKAS 19 (as revised in 2011)	Employee Benefits[4]
HKAS 27 (as revised in 2011)	Separate Financial Statements[4]
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures[4]
HKAS 32 (Amendments)	Financial Instruments: Presentation — Offsetting Financial Assets and Financial Liabilities[5]
HKFRS 1 (Amendments)	First-time Adoption of Hong Kong Financial Reporting Standards — Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters[1]
HKFRS 1 (Amendments)	Government Loans[4]
HKFRS 7 (Amendments)	Financial Instruments: Disclosure — Transfers of Financial Assets[1]
HKFRS 7 (Amendments)	Financial Instruments: Disclosure — Offsetting Financial Assets and Financial Liabilities[4]
HKFRS 7 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosure[6]
HKFRS 9	Financial Instruments[6]
HKFRS 10	Consolidated Financial Statement[4]
HKFRS 11	Joint Arrangements[4]
HKFRS 12	Disclosure of Interests in Other Entities[4]
HKFRS 13	Fair Value Measurement[4]
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine[4]

1 Effective for annual periods beginning on or after 1 July 2011
2 Effective for annual periods beginning on or after 1 January 2012
3 Effective for annual periods beginning on or after 1 July 2012
4 Effective for annual periods beginning on or after 1 January 2013
5 Effective for annual periods beginning on or after 1 January 2014
6 Effective for annual periods beginning on or after 1 January 2015

HKFRS 9 Financial Instruments introduces new requirements for the classification and measurement of financial assets and will be effective from 1 January 2015, with earlier application permitted. The standard requires all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement to be measured at either amortised cost or fair value. Specifically, debt investments that (i) are held within a business model whose objective is to collect the contractual cash flows and (ii) have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost. All other debt investments and equity investments are measured at fair value. The application of HKFRS 9 might affect the classification and measurement of the Group's financial assets.

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 Financial Instruments: Recognition and Measurement are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted. The directors anticipate that HKFRS 9 that will be adopted in the Group's consolidated financial statements for the annual period beginning 1 April 2015 and that the application of the new standard may have a significant impact on amounts reported in respect of the Groups' financial assets. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

The amendments to HKFRS 7 titled Disclosures — Transfers of Financial Assets increase the disclosure requirements for transactions involving transfers of financial assets. These amendments are intended to provide greater transparency around risk exposures when a financial asset is transferred but the transferor retains some level of continuing exposure in the asset. The amendments also require disclosures where transfers of financial assets are not evenly distributed throughout the period.

The directors do not anticipate that these amendments to HKFRS 7 will have a significant effect on the Group's disclosures regarding transfers of trade receivables previously affected. However, if the Group enters into other types of transfers of financial assets in the future, disclosures regarding those transfers may be affected.

For other new and revised HKFRSs which are issued but not yet effective, the Group is in the process of making an assessment of the impact upon initial application. The Group is not yet in a position to state whether they would have a significant impact on the Group's results of operations and financial position.

4. OPERATING SEGMENT AND TURNOVER

HKFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision makers for the purposes of allocating resources to segments and assessing their performance.

The Group currently operates in one business segment in the manufacture and sale of chemicals in the People's Republic of China (the "PRC"). A single management team reports to the chief operating decision makers who comprehensively manages the entire business. Accordingly, the Group does not have separately reportable segments.

Turnover from major products

The Group's turnover from its major products is as follows:

	2012	2011
	HK$'000	*HK$'000*
Turnover:		
Sale of phthalic anhydride	**258,582**	171,569
Sale of fumaric acid and other by-products of phthalic anhydride	**35,843**	25,904
Sale of raw materials	**—**	5,254
	294,425	202,727

Information about geographical areas

As all of the Group's turnover is derived from customers based in the PRC and all the Group's identifiable assets and liabilities are located in the PRC, no geographical segment information is presented in accordance with HKFRS 8 Operating Segments.

Information about major customers

The Group's customer base includes 3 and 2 customers with whom transactions have exceeded 10% of the Group's turnover during the years ended 31 March 2012 and 2011, sales from these customers are set out below:

	2012	2011
	HK$'000	*HK$'000*
Customer A	**30,396**	70,347
Customer B	**40,391**	82,185
Customer C	**95,175**	—

5. OTHER REVENUE

	2012	2011
	HK$'000	*HK$'000*
Other revenue:		
Bank interest income	**564**	565
Sundry income	**14**	73
	578	638

6. PROFIT FROM OPERATIONS

The Group's profit from operations is arrived at after charging:

	2012	2011
	HK$'000	*HK$'000*
Depreciation of owned property, plant and equipment	**5,548**	5,200
Amortisation of prepaid lease payments for land use right	**55**	53
Listing expenses	**3,305**	1,160
Cost of inventories sold	**255,383**	166,145

7. FINANCE COSTS

	2012	2011
	HK$'000	*HK$'000*
Interest on bank borrowings wholly repayable within one year	**4,567**	3,550

8. TAXATION

	2012	2011
	HK$'000	*HK$'000*
Current tax for the year — PRC enterprise income tax	**4,336**	3,354

9. DIVIDEND

Prior to the Reorganisation

	2012	2011
	HK$'000	*HK$'000*
Dividend paid by the following company:		
Great Top Investment Limited	**10,000**	—

The amounts represented the dividends paid by a subsidiary of the Company to its equity holders prior to the Reorganisation. Accordingly, the rate of dividend and the number of shares ranking for the above dividend have not been presented as such information is not meaningful.

After the Reorganisation

No dividend has been paid or declared by the Company after the Reorganisation.

The Directors do not recommend the payments of any dividend after the Reorganisation and for the year ended 31 March 2012.

10. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of basic earnings per share for the is based on the profit attributable to owners of the Company for the years ended 31 March 2012 and 2011, and on the assumptions that the 200,000,000 ordinary shares with par value of HK$0.01 each in issue as at the date of listing of the Company's shares on the Stock Exchange were outstanding throughout the years ended 31 March 2012 and 2011.

	2012	2011
	HK$'000	*HK$'000*
Earnings		
Profit attributable to owners of the Company, used in the basic earnings per share calculation	**20,243**	22,046
Number of shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	**200,000,000**	200,000,000

Diluted earnings per share were same as the basic earnings per share as there was no potential dilutive ordinary shares in existence during the years ended 31 March 2012 and 2011.

11. TRADE AND BILLS RECEIVABLES

	The Group 2012 HK$'000	2011 HK$'000
Trade receivables	**38,420**	12,084
Bills receivable	**2,247**	—
	40,667	12,084

The carrying amounts of trade receivables are denominated in RMB. The credit policies of the Group highly depend on the industry and market environment. The Group generally receives payment on or before the delivery and may allow settlement of balance within 30 days (2011: 30 days) to those long standing customers with good payment history. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. Trade receivables are non-interest-bearing.

An ageing analysis of trade receivables of the Group at the end of the reporting period, net of provision for impairment is as follows:

	2012 HK$'000	2011 HK$'000
Within 30 days	**34,332**	12,084
31 to 60 days	**2,321**	—
61 to 90 days	**1,767**	—
	38,420	12,084

12. TRADE PAYABLES

	The Group 2012 HK$'000	2011 HK$'000
Trade payables	**5,257**	6,582

An ageing analysis of trade payables of the Group as at the end of the reporting period as follows:

	The Group 2012 HK$'000	2011 HK$'000
Within 30 days	**4,924**	6,129
31 – 60 days	**—**	—
61 – 90 days	**—**	—
Over 90 days	**333**	453
	5,257	6,582

The trade payables are non-interest-bearing and are normally settled on or before the delivery and may allow to settle within 30 days.

13. **SHARE CAPITAL**

Ordinary shares

	Par value	Number of shares	Share capital
	HK$		*HK$*
Authorised:			
At 9 August 2010 (date of incorporation) and 31 March 2011	0.01	38,000,000	380,000
Increase in authorised share capital	0.01	962,000,000	9,620,000
At 31 March 2012		**1,000,000,000**	**10,000,000**
Issued and fully paid:			
At 9 August 2010 (date of incorporation) and 31 March 2011	0.01	1	—
Issue of new shares and credit 1 nil-paid share as fully paid at par	0.01	999,999	10,000
At 31 March 2012		**1,000,000**	**10,000**

As at 31 March 2011, the share capital of the Group represents the issued share capital of the Company with authorised share capital of HK$380,000, divided into 38,000,000 shares of HK$0.01 each. There was one nil-paid share held by Lian Wang Limited as at 31 March 2011.

On 3 February 2012, the Company allotted and issued 999,999 new shares at HK$0.01 each, credited as fully paid, to Lian Wang Limited, and the one nil paid share held by Lian Wang Limited was credited as fully paid at HK$0.01 each. There were 1,000,000 shares of HK$0.01 each in the share capital of the Company held by Lian Wang Limited as at 31 March 2012.

Pursuant to the written resolutions of the sole shareholder passed on 14 March 2012, the authorised share capital of the Company was increased from HK$380,000 to HK$10,000,000 by creation of an additional 962,000,000 shares.

BUSINESS REVIEW

The Group is principally engaged in the production of two chemical products, namely phthalic anhydride ("PA") and fumaric acid, which are intermediate chemicals mainly used in the industrial production of plasticisers and polyester resins. All of the Group's turnover is derived from customers based in the PRC.

The Group's production facilities are located in Xiamen, Fujian Province, the PRC. The Group operates under a simple business model with one major raw material, namely ortho-xylene ("OX") sourcing from independent suppliers in the PRC for its production process. OX is used in the production facilities of PA to produce PA and certain by-products including maleic anhydride, which can be used to produce fumaric acid.

Revenue from sales of PA and fumaric acid increased from HK$171.6 million and HK$25.9 million for the year ended 31 March 2011 to HK$258.6 million and HK$35.8 million for the year ended 31 March 2012, respectively. The increase in average selling prices of PA and fumaric acid of the Group during the year ended 31 March 2012 contributed to the growth of revenue from both products.

FINANCIAL REVIEW

Turnover of the Group rose 45.2% from HK$202.7 million for the year ended 31 March 2011 to HK$294.4 million for the year ended 31 March 2012, as a result of the increase in average selling prices of PA and fumaric acid. As PA and furmaric acid are derived from OX, selling prices of PA and furmaric acid have a high correlation with the market price of OX. Selling prices of PA and fumaric acid increased as result of the increase in market price of OX during the year ended 31 March 2012.

Gross profit margin declined from 17.9% for the year ended 31 March 2011 to 13.1% for the year ended 31 March 2012 as the purchase cost of raw materials increased faster than the selling prices of the Group's products during the year ended 31 March 2012.

Profit for the year decreased 8.2% from HK$22.0 million for the year ended 31 March 2011 to HK$20.2 million for the year ended 31 March 2012 due to the increases in administrative expenses, finance costs and taxation despite a higher gross profit. Administrative expenses rose from HK$7.6 million for the year ended 31 March 2011 to HK$9.3 million for the year ended 31 March 2012 while the amount of listing expenses included in administrative expenses increased from HK$1.2 million for the year ended 31 March 2011 to HK$3.3 million for the year ended 31 March 2012. Finance costs increased from HK$3.6 million for the year ended 31 March 2011 to HK$4.6 million for the year ended 31 March 2012, mainly due to the increase in average interest rate on bank borrowings. Taxation, representing the enterprise income tax in the PRC, increased from HK$3.4 million for the year ended 31 March 2011 to HK$4.3 million for the year ended 31 March 2012 due to the increase in the Group's effective enterprise income tax rate when the enterprise income tax rate applied to NWCI, an indirect wholly-owned subsidiary of the Company in the PRC and the only operating vehicle of the Group, is 11% and 12% during 2010 and 2011 respectively after 50% tax relief, and has increased to 25% subsequent to 1 January 2012 in accordance with the relevant laws and regulations and applicable to all domestic-invested and foreign-invested enterprises.

As at 31 March 2012, the Group did not have any significant capital commitments or contingent liabilities.

LIQUIDITY AND FINANCIAL RESOURCES

The Group mainly relies upon internally generated cash flows and bank borrowings to finance its operations and expansion.

As at 31 March 2012, the Group's cash and cash equivalents amounted to HK$44.8 million, including HK$33.6 million and HK$11.2 million denominated in Renminbi ("RMB") and HK$ respectively and representing a decrease of HK$25.3 million as compared to HK$70.1 million at 31 March 2011. The decrease in cash and cash equivalents was primarily due to the cash flow from the increase in trade and bill receivables by HK$28.1 million during the year ended 31 March 2012 as the number of customers allowed to settle the trade balance within 30 days, which are the Group's long standing customers, was increased. The majority of the Group's cash and cash equivalents are deposited with creditworthy banks with no recent history of default. Cash at banks earns interest at floating rates based on daily bank deposit rates.

As at 31 March 2012, the Group's interest-bearing bank borrowings were HK$61.4 million (2011: HK$59.3 million), all of which were denominated in RMB, the Group's bank borrowings were secured by prepaid lease payments for land use rights, buildings, plant and machinery and furniture, fixtures and equipment and due within one year. The range of effective interest rate on bank borrowings for the year ended 31 March 2012 was 6.67% – 8.53% per annum (2011: 5.58% – 6.67% per annum).

With respect to foreign exchange exposure, as the Group's earnings and borrowings are primarily denominated in RMB and the exchange rates between RMB and HK$/US dollar were relatively stable during the year ended 31 March 2012, it had no significant exposure to foreign exchange rate fluctuations. During the year ended 31 March 2012, the Group had not used any financial instruments for hedging purposes.

As at 31 March 2012, the Group's gearing ratio was 0.29, improved from 0.67 as at 31 March 2011. This was based on the division of the total debts (including bank borrowings, amount due to a director and amount due to a shareholder) by total assets. The Directors, taking into account of the nature and scale of operations and capital structure of the Group, considered that the gearing ratio as at 31 March 2012 was reasonable.

REMUNERATION POLICIES AND SHARE OPTION SCHEME

As at 31 March 2012, the Group had 109 employees (2011: 104 employees). The Group reviews remuneration and benefits of its employees regularly according to the relevant market practice and individual performance of the employees. The Group contributes the social insurance in the PRC and the mandatory provident fund scheme in Hong Kong for eligible employees, and also provides medical insurance, work-related personal injury insurance, maternity insurance and unemployment insurance in the PRC, in accordance with the relevant laws and regulations. Total staff costs (including directors' remuneration) incurred by the Group in the year ended 31 March 2012 were HK$6.7 million (2011: HK$5.4 million). A share option scheme (the "Scheme") was adopted by the Company pursuant to a shareholder's resolution passed on 14 March 2012. Since the adoption of the Scheme and up to the date of this announcement, no share option was granted to the relevant participants under the Scheme.

EVENTS AFTER THE REPORTING PERIOD

On 2 April 2012, the Company issued 50,000,000 new ordinary shares (the "Offer Shares") of HK$0.01 each for cash pursuant to the Company's initial public offering and placing at a price of HK$1.10 per share to the public for listing of those shares on the Stock Exchange. Net proceeds from such share issue amounted to approximately HK$28.7 million.

On 2 April 2012, the Company issued 149,000,000 new ordinary shares of HK$0.01 each by capitalisation of HK$1,490,000 standing to the credit of the Company's share premium account as a result of the issue of the Offer Shares. The 149,000,000 shares paying up in full at par were allotted and issued to Lian Wang Limited.

OUTLOOK

The Group aims at becoming a leading intermediate chemicals manufacturer in the PRC. Having considered the market potential and evaluated the Group's market position and competitive strengths, the Group intends to achieve its business objectives and further growth through expanding its production capacity to increase market penetration and broadening its market coverage and customer base.

USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

The shares of the Company were successfully listed on the Main Board of the Stock Exchange on 2 April 2012 (the "Listing Date"). The net proceeds received from the initial public offering, after deducting underwriting commissions and other estimated expenses payable for the offering, were approximately HK$28.7 million. Such net proceeds were deposited at the Group's bank accounts and will be used in the manner consistent with that mentioned in the section headed "Future plans and use of proceeds" of the prospectus of the Company dated 21 March 2012 (the "Prospectus"). In the event that the Directors decide to use such net proceeds in a manner different from that stated in the Prospectus, the Company will issue a further announcement in compliance with the Listing Rules.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

As the shares of the Company were listed on 2 April 2012, the Company was not required to comply with the requirements under the code provisions set out in the Corporate Governance Code ("the CG Code") contained in Appendix 14 to the Listing Rules or the continuing obligations requirements of a listed issuer pursuant to the Listing Rules for the year ended 31 March 2012. The Company has adopted the CG Code as its corporate governance code of practices since the Listing Date

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities since the Listing Date and up to the date of this announcement.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Specific enquiry has been made with all Directors and the Directors have confirmed compliance with the required standard set out in the Model Code throughout the period from the Listing Date to the date of this announcement.

AUDIT COMMITTEE

The audit committee of the Company (the “Audit Committee”) was established on 14 March 2012 with terms of reference in compliance with the Listing Rules and the CG Code. At present, the Audit Committee consists of three members, all being independent non-executive Directors, namely Mr. Wong Kin Tak, Mr. Yan Wai Kiu and Mr. Choi Kin Cheong. Mr. Wong Kin Tak is currently the chairman of the Audit Committee. The Audit Committee has reviewed with the management, the annual results for the year ended 31 March 2012 including the accounting principles and practices adopted by the Group.

ANNUAL GENERAL MEETING

The 2012 annual general meeting (“2012 AGM”) will be held at 3/F., Nexxus Building, 77 Des Voeux Road Central, Hong Kong on Monday, 27 August 2012 at 11:00 a.m.. A notice of the 2012 AGM will be published and despatched to shareholders in due course.

APPRECIATION

The chairman of the Group would like to take this opportunity to thank his fellow Directors for their invaluable advice and guidance, and to each and every member of staff of the Group for their hard work and unwavering commitment to the Group.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.judaintl.com). The annual report of the Company for the year ended 31 March 2012 containing all the information required by the Listing Rules will be dispatched to shareholders of the Company and published on the websites of the Stock Exchange and the Company in due course.

For and on behalf of
Juda International Holdings Limited
Choi Lim Chi
Chairman

Hong Kong, 25 June 2012

As at the date of this announcement, the executive Directors of the Company are Mr. Choi Lim Chi, Mr. Chen Fan and Mr. Lee Lit Mo Johnny, and the independent non-executive Directors of the Company are Mr. Yan Wai Kiu, Mr. Wong Kin Tak and Mr. Choi Kin Cheong.