HAIER HEALTHWISE HOLDINGS LIMITED
海爾智能健康控股有限公司

(Formerly known as Lung Cheong International Holdings Limited)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 348)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

RESULTS

The board of directors (the "**Board**") of Haier Healthwise Holdings Limited (the "**Company**") hereby announces the audited consolidated results of the Company and its subsidiaries (together called the "**Group**") for the year ended 31 March 2015 together with the comparative figures for the year ended 31 March 2014 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2015

	Notes	**2015** **HK$'000**	2014 *HK$'000*
Turnover	*3*	**389,427**	193,664
Cost of sales		**(277,506)**	(134,088)
Gross profit		**111,921**	59,576
Other income, gains and losses, net	*4*	**17,408**	20,791
Selling and distribution expenses		**(52,887)**	(23,224)
General and administrative expenses		**(82,852)**	(52,895)
Share of result of an associate		**9,512**	–
Finance costs	*6*	**(1,760)**	(1,640)
Fair value gain on contingent consideration		**15,615**	–
Profit before income tax	*5*	**16,957**	2,608
Income tax (expense)/credit	*7*	**(10,423)**	687
Profit for the year		**6,534**	3,295

	Notes	2015 *HK$'000*	2014 *HK$'000*
Other comprehensive income for the year, net of tax:			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**(203)**	(3,371)
Revaluation of available-for-sale investments		**3,663**	(16,539)
Surplus on revaluation of land and buildings		**21,102**	–
Total other comprehensive income for the year, net of tax		**24,562**	(19,910)
Total comprehensive income for the year		**31,096**	(16,615)
Profit for the year attributable to:			
Owners of the Company		**17,037**	5,287
Non-controlling interests		**(10,503)**	(1,992)
		6,534	3,295
Total comprehensive income for the year attributable to:			
Owners of the Company		**41,756**	(14,623)
Non-controlling interests		**(10,660)**	(1,992)
		31,096	(16,615)
Earnings per share attributable to owners of the Company			
– Basic	*9*	**0.31 cents**	0.10 cents
– Diluted	*9*	**0.29 cents**	0.09 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2015

	Notes	2015 HK$'000	2014 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**100,912**	50,543
Goodwill	*10*	**102,357**	100,970
Intangible assets		**10,419**	6,859
Interest in an associate		**18,904**	–
Deferred tax assets		**5,575**	11,545
		238,167	169,917
Current assets			
Inventories		**75,257**	55,348
Trade and other receivables, deposits and prepayments	*11*	**95,195**	38,417
Available-for-sale investments	*12*	**201,680**	250,768
Amounts due from related companies		**231**	4,049
Amount due from an associate		**21,135**	–
Tax recoverable		**1,532**	1,017
Cash and cash equivalents		**106,992**	116,139
		502,022	465,738
Current liabilities			
Trade and other payables and accrued charges	*13*	**52,108**	27,775
Borrowings		**24,094**	12,110
Amounts due to related companies		**5,004**	3,519
Tax payable		**4,661**	13
		85,867	43,417
Net current assets		**416,155**	422,321
Total assets less current liabilities		**654,322**	592,238

	Notes	**2015** **HK$'000**	2014 HK$'000
Non-current liabilities			
Other payable	*13*	**–**	7,710
Borrowings		**15,057**	7,814
Provision for long service payment		**2,451**	2,148
Deferred tax liabilities		**13,577**	6,676
		31,085	24,348
Net assets		**623,237**	567,890
EQUITY			
Share capital	*14*	**564,776**	555,776
Reserves		**67,127**	14,705
Equity attributable to owners of the Company		**631,903**	570,481
Non-controlling interests		**(8,666)**	(2,591)
Total equity		**623,237**	567,890

1. ORGANISATION AND OPERATIONS

Haier Healthwise Holdings Limited 海爾智能健康控股有限公司 (formerly known as Lung Cheong International Holdings Limited) (the "**Company**") is a limited liability company incorporated in the Cayman Islands. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The address of its registered office is at P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, and the principal place of business of the Company is at Lung Cheong Building, 1 Lok Yip Road, Fanling, New Territories, Hong Kong.

The Company is an investment holding company and its subsidiaries (collectively as the "**Group**") are principally engaged in development, engineering, manufacture and sale of toys, consumer electronic and commercial kitchen products during the year.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of new/revised HKFRSs – Effective 1 April 2014

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK (IFRIC) 21	Levies

The adoption of these amendments has no material impact on the Group's financial statements.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle[2]
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle[1]
HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle[3]
Amendments to HKAS 1	Disclosure Initiative[3]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[3]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[3]
HKFRS 9 (2014)	Financial Instruments[5]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	Investment entities: Applying the consolidation exception[3]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[3]
HKFRS 14	Regulatory Deferral Accounts[3]
HKFRS 15	Revenue from Contracts with Customers[4]

[1] Effective for annual periods beginning on or after 1 July, 2014
[2] Effective for annual periods beginning, or transactions occurring, on or after 1 July, 2014
[3] Effective for annual periods beginning on or after 1 January, 2016
[4] Effective for annual periods beginning on or after 1 January, 2017
[5] Effective for annual periods beginning on or after 1 January, 2018

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and is not yet in a position to state whether substantial changes to the Group's accounting policies and presentation of the financial statements will be resulted.

(c) The disclosure requirements of the new Hong Kong Companies Ordinance relating to the preparation of financial statements

The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") requiring financial statements disclosures with reference to the new Hong Kong Companies Ordinance, Cap. 622 (the "**New Companies Ordinance**") will first apply to the Company in its financial year ending on 31 March 2016.

The directors consider that there will be no impact on the Group's financial position or performance, however the New Companies Ordinance would have impacts on the presentation and disclosures in the consolidated financial statements. The statement of financial position of the Company will be presented in the notes rather than a separate statement and certain related notes need not be included.

3. TURNOVER AND SEGMENT INFORMATION

Information on the operating/reportable segments is provided to the chief operating decision-makers (the "**CODM**") to enable them to make strategic decisions. Such segment information is reported in accordance with the internal reporting procedure and the Group's internal organisation and reporting structure.

The Group has three reportable segments. The segments are managed separately as each business offers different products and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

- Manufacturing and sale of toys
- Sale of consumer electronic products
- Manufacturing and sale of commercial kitchen products

Inter-segment transactions are priced with reference to prices charged to external customers for similar order. Corporate revenue, expenses, assets and liabilities have not been allocated to the reportable segments as these items have not been used by the CODM in measuring the segments' profit or loss, assets and liabilities.

(a) Segment revenue and results

For the year ended 31 March 2015

	Toys	Consumer electronic products	Commercial kitchen products	Reportable segment total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Revenue to external customers	**240,856**	**90,539**	**58,032**	**389,427**
Segment profit/(loss) before income tax	**(158)**	**(19,626)**	**6,074**	**(13,710)**

For the year ended 31 March 2014

	Toys	Consumer electronic products	Commercial kitchen products	Reportable segment total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Revenue to external customers	173,290	15,497	4,877	193,664
Segment profit/(loss) before income tax	3,394	(7,546)	(2,614)	(6,766)

	2015	2014
	HK$'000	*HK$'000*
Reportable segment loss	**(13,710)**	(6,766)
Interest income	**19,040**	18,627
Gain on disposal of available-for-sale investments	**977**	1,594
Share of result of an associate	**9,512**	–
Fair value gain on contingent consideration	**15,615**	–
Equity-settled share-based payment expense	**(1,990)**	–
Unallocated corporate expenses		
– Staff costs	**(4,842)**	(5,061)
– Legal and professional fee	**(2,464)**	(2,349)
– Consultancy service expense	**(3,600)**	–
– Others	**(1,581)**	(3,437)
Consolidated profit before income tax	**16,957**	2,608

(b) Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable segment:

	2015	2014
	HK$'000	*HK$'000*
Segment assets		
Toys	**191,469**	140,642
Consumer electronic products	**82,173**	53,801
Commercial kitchen products	**187,590**	128,335
Segment assets	**461,232**	322,778
Available-for-sale investments	**201,680**	250,768
Interest in an associate	**18,904**	–
Unallocated corporate assets		
– Cash and cash equivalents	**50,809**	58,694
– Others	**7,564**	3,415
Consolidated total assets	**740,189**	635,655

	2015	2014
	HK$'000	*HK$'000*
Segment liabilities		
Toys	**84,168**	43,402
Consumer electronic products	**15,612**	6,681
Commercial kitchen products	**16,912**	17,636
Segment liabilities	**116,692**	67,719
Unallocated corporate liabilities	**260**	46
Consolidated total liabilities	**116,952**	67,765

(c) Other segment information included in segment results or segment assets

For the year ended 31 March 2015

	Toys *HK$'000*	Consumer electronic products *HK$'000*	Commercial kitchen products *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Interest income	(13)	(49)	(344)	(19,040)	(19,446)
Finance costs	1,648	31	81	–	1,760
Income tax expense	2,524	3,285	4,614	–	10,423
Share of result of an associate	–	–	–	(9,512)	(9,512)
Depreciation of property, plant and equipment	4,689	1,237	2,167	–	8,093
Amortisation of intangible assets	–	201	438	–	639
Impairment loss on trade receivables, net	6	–	5,643	–	5,649
Impairment loss on goodwill	–	3,523	–	–	3,523
Gain on disposal of property, plant and equipment	(383)	–	–	–	(383)
Gain on disposal of available-for-sale investments	–	–	–	(977)	(977)
Additions to property, plant and equipment	23,753	7,925	664	13	32,355
Additions to intangible assets	–	1,485	2,585	–	4,070
Research and development service income	–	–	(9,001)	–	(9,001)
Equity-settled share-based payment expense	–	1,070	3,104	1,990	6,164

For the year ended 31 March 2014

	Toys *HK$'000*	Consumer electronic products *HK$'000*	Commercial kitchen products *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Interest income	(287)	(347)	(18)	(18,627)	(19,279)
Finance costs	1,612	28	–	–	1,640
Income tax expense/(credit)	1,376	(1,427)	(636)	–	(687)
Depreciation of property, plant and equipment	3,468	358	322	–	4,148
Amortisation of intangible assets	–	–	289	–	289
Impairment loss on trade receivables, net	41	–	–	–	41
Gain on disposal of property, plant and equipment	(287)	–	–	–	(287)
Gain on disposal of available-for-sale investments	–	–	–	(1,594)	(1,594)
Additions to property, plant and equipment	10,170	731	88	–	10,989
Additions to intangible assets	–	2,469	–	–	2,469

(d) Geographical information

Information about the Group's revenue and non-current assets by geographical region, according to the location which the product is shipped and the location of assets, is as follows:

For the year ended 31 March 2015

	Revenue *HK$'000*	**Non-current assets** *HK$'000* *(Note (i))*
United States of America and Canada	**85,212**	**3,534**
Europe *(Note (ii))*	**79,648**	**–**
China	**153,228**	**145,689**
Australia	**1,807**	**–**
Japan	**12,172**	**–**
Hong Kong	**662**	**77**
Korea	**44,450**	**–**
Indonesia	**–**	**83,284**
Others	**12,248**	**8**
	389,427	**232,592**

For the year ended 31 March 2014

	Revenue *HK$'000*	Non-current assets *HK$'000* *(Note (i))*
United States of America and Canada	89,836	3,419
Europe *(Note (ii))*	64,528	–
China	20,519	110,189
Australia	1,966	–
Japan	1,846	–
Hong Kong	1,380	71
Korea	433	–
Indonesia	–	44,693
Others	13,156	–
	193,664	158,372

Note:

(i) Excluding deferred tax assets.

(ii) The products are first exported to one of the European countries ("**Shipping Port Countries**") and then distributed to different European countries by the customers. The information on the final destination of the products is unavailable as the cost to gather it would be excessive. The Directors are of the opinion that the identities of the Shipping Port Countries should not be disclosed as such disclosure might be misleading.

(e) Information on major customers:

Revenue from one customer (2014: three customers) of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	2015 ***HK$'000***	2014 *HK$'000*
Customer A from toys segment	**44,672**	–
Customer B from toys segment	**N/A**	35,496
Customer C from toys segment	**N/A**	32,227
Customer D from toys segment	**N/A**	19,729

4. OTHER INCOME, GAINS AND LOSSES, NET

	2015 ***HK$'000***	2014 *HK$'000*
Interest income	**19,446**	19,279
Sample income and others	**1,323**	757
Research and development service income	**9,001**	–
Gain on disposal of property, plant and equipment	**383**	287
Gain on disposal of available-for-sale investments	**977**	1,594
Impairment loss on trade receivables, net	**(5,649)**	41
Impairment loss on goodwill	**(3,523)**	–
Exchange losses, net	**(4,550)**	(1,167)
	17,408	20,791

5. PROFIT BEFORE INCOME TAX

Profit before income tax is arrived at after charging:

	2015	2014
	HK$'000	*HK$'000*
Costs of inventories recognised as expenses	**277,300**	134,088
Auditors' remuneration	**1,512**	1,021
Depreciation of property, plant and equipment	**8,093**	4,148
Amortisation of intangible assets	**639**	289
Employee benefits expense (excluding directors)	**93,515**	41,450
Directors' emoluments	**4,160**	4,224
Research and development costs (included in general and administrative expenses)	**4,885**	3,387
Minimum lease payments under operating lease	**2,681**	1,501

6. FINANCE COSTS

	2015	2014
	HK$'000	*HK$'000*
Total interest expenses for financial liabilities that are not at fair value through profit or loss:		
Interest on loans from banks wholly repayable within five years	**1,760**	1,640

7. INCOME TAX EXPENSE/(CREDIT)

Hong Kong profits tax has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profits for the year. No Hong Kong profits tax has been provided for the Group's Hong Kong subsidiaries as they did not derive any assessable profits for the year (2014: Nil).

Enterprise income tax ("EIT") has been provided at the rate of 25% (2014: 25%) on the estimated assessable profits for the year arising from the PRC.

Overseas profits tax has been provided at the appropriate rates in the countries in which they operate.

The amount of income tax expense/(credit) in the consolidated statement of comprehensive income represents:

	2015	2014
	HK$'000	*HK$'000*
PRC enterprise income tax		
– provision in current year	**3,189**	–
– under provision in prior years	**3**	–
	3,192	–
Overseas profits tax – current year	**1,767**	–
Deferred tax expense/(credit)	**5,464**	(687)
Income tax expense/(credit)	**10,423**	(687)

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

	2015	2014
	HK$'000	*HK$'000*
Profit before income tax	**16,957**	2,608
Income tax expense calculated at the tax rate of 16.5% (2014: 16.5%)	**2,798**	430
Effect of different tax rates in other countries	**860**	(1,062)
Income not subject to taxation	**(6,653)**	(365)
Expenses not deductible for tax purpose	**4,453**	16
Utilisation of previously unrecognised tax losses	**–**	(326)
Under provision in prior years	**3**	–
Reversal of tax losses recognised in prior years	**3,200**	–
Deferred tax benefits arising from tax losses and others not recognised	**5,762**	620
Income tax expense/(credit)	**10,423**	(687)

8. DIVIDENDS

The directors do not recommend any dividend in respect of the year ended 31 March 2015 (2014: Nil).

9. EARNINGS PER SHARE

	2015	2014
	HK cents	*HK cents*
Basic earnings per share	**0.31**	0.10
Diluted earnings per share	**0.29**	0.09

The calculation of basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2015	2014
	HK$'000	*HK$'000*
Profit for the year attributable to owners of the Company, used in the basic and diluted earnings per share calculation	**17,037**	5,287

	2015	2014
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	**5,582,853,887**	5,383,730,600
Effect of dilution		
– Warrants	**260,941,321**	304,603,669
– Share options *(note)*	**–**	–
Weighted average number of ordinary shares for the purposes of diluted earnings per share	**5,843,795,208**	5,688,334,269

Note: The share options of the Company granted in the period are treated as contingently issuable shares because their issue is contingent upon the performance assessments of the share option holders. As at 31 March 2015, all share options have not yet been vested and therefore, no adjustment for the share options was made in calculating the diluted earnings per share.

10. GOODWILL

	The Group	
	2015	2014
	HK$'000	*HK$'000*
At 1 April		
Cost and net carrying amount	**100,970**	2,500
Net carrying amount at 1 April	**100,970**	2,500
Acquired through business acquisition *(Note 15)*	**3,380**	98,470
Impairment during the year	**(3,523)**	–
Exchange difference	**1,530**	–
Net carrying amount at 31 March	**102,357**	100,970
At 31 March		
Cost	**105,880**	100,970
Accumulated impairment	**(3,523)**	–
Net carrying amount	**102,357**	100,970

Goodwill acquired in business combination is allocated, at acquisition, to the cash-generating unit ("**CGUs**") that are expected to benefit from that business combination. As at 31 March 2015, the goodwill arose from the acquisitions of CGUs which are engaged in manufacturing and sale of commercial kitchen products, sale of consumer electronic products, and sale of toys respectively, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Commercial kitchen products	**99,857**	95,006
Consumer electronic products	**–**	3,464
Toys	**2,500**	2,500
	102,357	100,970

Commercial kitchen products and consumer electronic products

The directors determined the respective recoverable amount of the CGUs of the commercial kitchen products and the consumer electronic products as at 31 March 2015 from their value-in-use based on the valuations performed by an independent firm of professional valuers using the income approach method.

The income approach method is based on the projection of future cash flows of the commercial kitchen products segment and the consumer electronic products segment derived from the financial budgets approved by management covering a five-year period. Cash flow beyond the five-year period are extrapolated as there is zero growth in the commercial kitchen products segment and the consumer electronic products segment in the PRC.

Management expected the growth of commercial kitchen products segment and consumer electronic products segment will become obvious in the coming five-year period because of the government policies regarding the heat efficiency requirement for commercial kitchen products and the relaxation of one-child policy. Therefore, the financial budgets reflect the expected growth in sales and profits covering the five-year period.

The discount rates in a range from 16% to 18% (2014:13%) and 15% (2014: 13%) adopted in the future cash flow projections of the CGUs of the commercial kitchen products and the consumer electronic products respectively are pre-taxed and reflect specific risks relating to the relevant markets.

During the year ended 31 March 2015, impairment loss of approximately HK$3,523,000 has been recognised in respect of the goodwill arising from the acquisition of 深圳綠洲兒童用品有限公司 (formerly known as 深圳致訊電器有限公司) ("Shenzhen Oasis"), which was classified under the consumer electronic products segment, as more than planned selling and administrative expenses were incurred during market penetration.

Toys

The recoverable amount of the CGU of the toys trading business in the USA is determined by the value-in-use calculations. These calculations were carried out by cash flow projections based on financial budgets approved by management covering a five-year period. Cash flow beyond the five-year period is extrapolated using estimated weighted average growth rates of 3% (2014: 3%), which do not exceed the long-term growth rate for the industry in the corresponding country.

The discount rate of 25% (2014: 19%) adopted in the value-in-use calculations of the CGU of toys is pre-taxed and reflect specific risks relating to the relevant markets.

Management individually reassessed the recoverable amount of each goodwill as at 31 March 2015 by reference to the discounted cash flow calculation with the above estimation and was of the opinion that except the goodwill attached in the consumer electronic products segment being fully impaired, the remaining goodwill arising from acquisitions were recoverable.

11. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

The carrying amounts of trade and other receivables, deposits and prepayments are as follows:

	2015	2014
	HK$'000	*HK$'000*
Trade receivables	**71,715**	20,670
Less: allowance for doubtful debts	**(5,613)**	(41)
	66,102	20,629
Other receivables, deposits and prepayments	**29,093**	17,788
	95,195	38,417

(a) The movements in the allowance for doubtful debts during the year, including both specific and collective loss components, are as follows:

Allowance for doubtful debts on trade receivables

	2015	2014
	HK$'000	*HK$'000*
At beginning of year	**41**	895
Amounts written off for the year	**(112)**	(895)
Addition to impairment loss	**5,649**	41
Exchange difference	**35**	–
At end of year *(Note (i))*	**5,613**	41

Note:

(i) Included in the above allowance for doubtful debts in respect of trade and other receivables is a provision for individually impaired trade receivables of HK$5,613,000 (2014: HK$41,000) with a carrying amount before provision of HK$10,691,000 (2014: HK$41,000).

(b) The ageing analysis of the trade receivables, net of allowance for doubtful debts, is as follows:

	2015	2014
	HK$'000	*HK$'000*
0-90 days	**38,859**	18,542
91-180 days	**19,207**	1,839
181-365 days	**8,000**	143
Over 365 days	**36**	105
	66,102	20,629

The Group's sales are on letter of credit or open account terms. Credit terms are reviewed on a regular basis. The normal trade terms include letter of credit, deposits before shipments and credit period ranging from 30 to 90 days but business partners with strong financial background may be offered longer credit terms.

(c) Below is the ageing analysis of the carrying amounts of trade receivables that are past due at the end of the reporting period but for which the Group has not provided for impairment loss because management are of the opinion that the fundamental credit quality of the customers has not deteriorated:

	2015	2014
	HK$'000	*HK$'000*
Within 30 days past due	**11,596**	1,893
31 to 90 days past due	**9,742**	437
Over 90 days past due	**656**	721
	21,994	3,051

Trade receivables that are neither past due nor impaired relate to customers for whom there is no recent history of default.

Trade receivables that are past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no provision for impairment is necessary in respect of these balances as there have not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

12. AVAILABLE-FOR-SALE INVESTMENTS

	2015	2014
	HK$'000	*HK$'000*
Debt securities – at fair value		
– Listed in Hong Kong	**94,023**	112,277
– Listed outside Hong Kong	**107,657**	138,491
	201,680	250,768

13. TRADE AND OTHER PAYABLES AND ACCRUED CHARGES

	2015	2014
	HK$'000	*HK$'000*
CURRENT		
Trade payables	**28,798**	5,867
Other payables and accrued charges	**23,310**	21,908
	52,108	27,775
NON-CURRENT		
Other payables	**–**	7,710
	52,108	35,485

At 31 March 2015, the ageing analysis of the trade payables was as follows:

	2015	2014
	HK$'000	*HK$'000*
0-90 days	**22,768**	5,587
91-180 days	**5,766**	55
181-365 days	**26**	70
Over 365 days	**238**	155
	28,798	5,867

14. SHARE CAPITAL

	Authorised			
	Convertible cumulative redeemable preference shares of US$100,000 each		Ordinary shares of HK$0.10 each	
	Number of shares		Number of shares	
		US$'000	*'000*	*HK$'000*
At 1 April 2013, 31 March 2014 and 2015	40	4,000	10,000,000	1,000,000

	Issued and fully paid			
	Convertible cumulative redeemable preference shares of US$100,000 each		Ordinary shares of HK$0.10 each	
	Number of shares		Number of shares	
		US$'000	*'000*	*HK$'000*
At 1 April 2013	–	–	3,457,758	345,776
Placing of new shares *(Note)*	–	–	2,000,000	200,000
Exercise of warrants	–	–	100,000	10,000
At 31 March 2014	–	–	5,557,758	555,776
Exercise of warrants	–	–	90,000	9,000
At 31 March 2015	–	–	5,647,758	564,776

Note:

On 2 April 2013, the issued ordinary shares of the Company were increased from HK$345,776,000 to HK$545,776,000 through a placing exercise (the "**Placing**") for the issue of 2,000,000,000 ordinary shares with par value of HK$0.1 each.

A sum of HK$389,216,000 in cash has been received from the Placing, after deducting the related expenses of approximately HK$10,784,000. The Directors considered that the Placing was taken place for the purposes of raising sufficient fund for general working capital and expansion of business.

15. BUSINESS ACQUISITION DURING THE YEAR

On 4 April 2014, the Group acquired approximately 59.976% of the equity interest of 四川易方廚房設備有限公司 ("**Sichuan Yi Fang**"), a company whose principal activities are research and development, production, sales and installation of commercial kitchen related equipment and accessories in the PRC. The acquisition was made with the aims to enhance the Group's exposure in developing the commercial kitchen design, planning and project management business in the PRC.

The following table summarises the consideration paid for the business acquisition completed in the current period, and the fair value of identifiable assets and liabilities of the acquiree at the acquisition date:

	Sichuan Yi Fang
	HK$'000
Property, plant and equipment	6,955
Deferred tax assets	262
Inventories	971
Trade and other receivables, deposits and prepayments	1,313
Cash and cash equivalents acquired	1,812
Trade and other payables and accrued charges	(108)
	11,205
Non-controlling interests	(4,585)
	6,620
Goodwill arising on acquisition	3,380
Total consideration satisfied by: Cash	10,000
Cash flow:	
Cash payment	(10,000)
Cash and cash equivalents acquired	1,812
Net cash outflows arising from acquisition:	(8,188)

The acquisition-related costs of approximately HK$170,000 have been expensed and are included in administrative expenses.

The fair value of trade and other receivables amounted to approximately HK$1,313,000. The gross amount of these receivables is HK$1,313,000. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected.

The Group has elected to measure the non-controlling interest in Sichuan Yi Fang at the proportionate share of the acquiree's identifiable net assets.

SUMMARY OF THE INDEPENDENT AUDITOR'S REPORT

Basis for qualified opinion

The consolidated financial statements included the financial statements for the year ended 31 March 2015 of P.T. Lung Cheong Brothers Industrial ("**PTLC**"), a wholly owned subsidiary of the Company in Indonesia.

– Included in the tax payable and deferred tax assets stated in the consolidated statement of financial position as at 31 March 2015 are the amounts of HK$1,658,000 and HK$780,000 contributed by PTLC.

– Included in the income tax expense stated in the consolidated statement of comprehensive income for the year ended 31 March 2015 is the amount of HK$1,767,000 incurred by PTLC.

We were unable to obtain sufficient appropriate audit evidence about the carrying amounts of tax payable and deferred tax assets or liabilities of PTLC as at 31 March 2015 and the related expenses for the year then ended as management did not provide the supporting information. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2015 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

RESULTS

For the year ended 31 March 2015 (the "**Year**" or "**Period**"), the Group's turnover increased by approximately ("**approx.**") 101% to approx. HK$389 million, compared with approx. HK$194 million for the year ended 31 March 2014 (the "**FY14/15**" or "**Corresponding Period**").

Gross profit margin for the Period was approx. 29% compared to approx. 31% in the Corresponding Period. Overall, profit attributable to owners of the Company was approx. HK$17 million compared with a profit of approx. HK$5 million in the Corresponding Period. The Directors do not recommend the payment of any dividend for the year ended 31 March 2015 (FY13/14: Nil).

BUSINESS REVIEW

During the Period, sales increased significantly due to the business diversification and introduction of the new revenue sources from consumer electronic products and commercial kitchen products.

The Group recorded a dramatic increase in profit for the year ended 31 March 2015 as compared to the profit recorded by the Group for the year ended 31 March 2014. The increase in consolidated profit was primarily attributable to share of result in an associate and fair value gain on contingent consideration of approx. HK$25 million for the year ended 31 March 2015.

On 5 January 2015, the name of the Company was changed from "Lung Cheong International Holdings Limited" to "Haier Healthwise Holdings Limited 海爾智能健康控股有限公司" to better reflect the Company's strategy and new business focus and the new shareholding structure.

Commercial kitchen products

In late 2013, the Group entered the commercial kitchen products business by the acquisition of Notton Limited and its wholly-owned subsidiary Era Creation Technology Limited ("**Era Creation**"). Era Creation holds the entire equity interest in 青島瑞迪燃氣具製造有限公司 ("**Qingdao Ruidi**"), which is engaged in research & development ("**R&D**"), manufacturing and sale of commercial products in the PRC. Qingdao Ruidi also owns several intellectual property rights in respect of advanced technologies in the area of environmental friendly kitchen products. The total consideration for the acquisition is HK$106 million, with covenant to profit guarantee for both 2014 and 2015. The Group paid the first cash installment of HK$8 million as scheduled after the acquisition closed in late August 2013 and is expected to settle the second and third payments (HK$8 million in form of cash and 100 million ordinary shares of the Company each) if the 2014 and 2015 profit guarantee is reached. Based on the audited consolidated financial results of the Notton Limited and its subsidiaries for the year ended 31 December 2014, the audited consolidated profit after tax of the Target Group for the year ended 31 December 2014 is slightly below HK$11,000,000 thus the 2014 Profit Guarantee has not been fulfilled and the Group will not require to pay the second payment. The Group is still obliged to pay the third payment (HK$8 million in form of cash and 100 million ordinary shares of the Company) if the 2015 profit guarantees (HK$21 million) is reached though.

To further improve geographical coverage and business service quality, on 4 April 2014, 青島海爾瑞迪廚具工程有限公司 ("**Haier Ruidi**") acquired approx. 59.976% of the equity interest of Sichuan Yi Fang at a total consideration of RMB8 million (or equivalent to HK$10 million). Sichuan Yi Fang is principally engaged in R&D, production, sale and installation of commercial kitchen related equipment and accessories in the PRC, this acquisition resulted in an increase in goodwill of approx. HK$3 million.

During the Year, the commercial kitchen products segment contributed approx. HK$58 million to the Group's turnover, with the gross margin of 38%.

Consumer electronic products

(i) Childcare products

The market for childcare related products and services is huge and fast growing in China, based on the research conducted by CRCCI, the market is approx. RMB1.4 trillion in 2013. The recent easing of one-child policy provides more catalysts and the market is expected to be approx. RMB2.6 trillion by 2017. Since the Group entered the childcare market, the Management has been working closely on R&D enhancement, product line expansion, distribution channel development and integration. The main products of the Group are our Haier and Brilliante branded small and large baby appliances (electric sterilizer, baby bottle & food warmer, baby food processor, baby washing machine, baby air-conditioner, etc). We currently have approx. 100 Stock Keeping Unit ("**SKU**") and we expect a lot more to come in the coming months. Our newly launched Haier branded Infant formula preparation kit and steam electric sterilizer won the iF Design Award 2015.

Apart from the traditional baby appliances, we successfully developed a few smart devices during the Period. A smart baby monitor: iVa（愛娃）was soft launched in March 2015. This High-Tech Multi-Functional baby monitor not only closely monitor the baby's situation while timely taking care of the baby, it will also become a major entry point for the Internet of Things (IoT) in the future. We did the soft launch with JD smart（京東）and we would expect iVa and its related products to be our new revenue source next year.

During the Year, the Group generated approx. HK$91 million from childcare products with the gross margin of 32%.

(ii) Water purifier

On 21 April 2014, Qingdao Oasis Intelligent Health Technology Company Limited ("**OIHT**") and Qingdao Goodaymart Lejia Trading Co., Ltd ("**Goodaymart**"), an indirect wholly-owned subsidiary of Haier Electronics Group., Ltd (1169.HK), entered into a joint venture agreement in relation to the establishment of the 青島日日順樂家水設備有限公司 ("**Goodaymart Water**") in July 2014. Goodaymart Water is principally engaged in R&D, production, wholesaling and retailing of water purification equipment and accessories, installation and maintenance of water purification equipment and provision of relevant aftersales services in the PRC. Goodaymart Water will be focused on "health and environment" and aims to become a prominent full-house water purification service provider. Upon the establishment of the Goodaymart Water, Goodaymart and OIHT owns 51% and 49% of the shareholding interest in the Goodaymart Water respectively. In addition, on 7 August 2014, OIHT and Goodaymart entered into a supplemental agreement to the effect that upon the establishment of the Goodaymart Water, OIHT and Goodaymart will own 51% and 49% of the shareholding interest in the Goodaymart Water respectively. The supplemental agreement was not successfully executed during the Period therefore OIHT remains 49% shareholding interest in the Goodaymart Water.

During the Year, Goodaymart Water as an associate company has contributed a profit of approx. 10 million to the Group.

Toys

With the expanded and additional production facilities which will be completed in stages at the Indonesian factory, the sales from toys segment during the Year under review grew approx. 39% compared to the previous year. The growth was mainly attributable to the expanded production capacity and increase in orders from existing and new Original Equipment Manufacturing ("**OEM**") customers with toys destined for Europe, Korea and Japan markets. However, the increase in the overall labour and staff costs as a result of the annual increment of the Indonesian minimum salary lead to a lower gross margin in the toy manufacturing segment.

The sales driver in FY2014/15 was mainly due to orders placed for a series of complex transforming toys from our new Korean customer with sales and promotion supported by the television animation being broadcasted all over Korea and received favourable responses. Our expansion in the Serang factory included additional production equipment which attracted construction block sets orders from our major Japanese customer. Continued high orders for electronic components for a popular brand licensed of dolls relating to an ongoing successful block buster movie kept our electronic assembly segment busy during the Year under review.

The remaining Original Brand Manufacturing ("**OBM**") toys segment did not perform well as sales were approx. 23% less than the previous year despite that additional investments utilizing the intended fund from the 2012 Placing and new financing from a U.S. financial institution have been injected in research and product development and marketing and promotional activities. The lower Kid Galaxy sales were mainly attributable to continued weakness in the specialty toys market in North America although the US subsidiary has already made inroads into a few mass markets stores and a major on-line retailer. The lower sales were also attributable to the continued weakness of the international markets in particular Europe.

On 13 May 2014, the Group granted a total of 100,000,000 share options with the exercise price of HK$0.87 per share. The vesting of share options will be subject to achievement of individual performance targets during a two-year assessment period. During the year, the Group has recognised non-cash equity-settled share-based payment expense approx. HK$6 million in the consolidated financial statements.

As disclosed in the announcement of the Company dated 31 May 2013, the Company placed approx. HK$350 million in its private banking account with a Swiss based banking institute and approx. HK$344 million was applied in investing in high yield bonds issued by listed issuers in the open bond market. The Company's investment in the bond market is merely a temporary cash management exercise during the interim period and the Management has been liquidating the bond portfolio at market recently, as at the date of this announcement, of the HK$350 million we originally placed in the bank, approximately HK$250 million was in the form of bond, the rest HK$100 million together with the coupon income it generated has been wired out of that Swiss based banking institute for operation. The Company will maintain its intention with the intended use of proceeds as disclosed in the 2013 Placing Circular.

As at 31 March 2015, the Group had approx. HK$4 million non-cash valuation gain (FY13/14: HK$17 million valuation loss) on available-for-sale investments as shown in our consolidated statement of comprehensive income. The available-for-sale investments have generated approx. HK$19 million coupon income during the Year (FY13/14: HK$19 million). Management will continue to closely monitor and carefully manage the investments.

PLANS AND PROSPECTS

Commercial kitchen products

Commercial kitchen products is very fragmented in the PRC with no major players in the market. Market growth is driven by increasing demand for dining out as living standard rises, higher environmental standard and fuel cost saving motive. The Group's patented advanced infra technology for gas cooking appliances is able to offer the best energy efficiency in the market (70% as compared to the government standard of 45%), which allows more than 50% saving in gas consumption in comparison with traditional blast gas kitchen range. Our products have low carbon monoxide emission (20 times less than the national standard), and have quietness and even heating distribution ability. In addition, the Management expects the new government regulation on minimum heat efficiency requirement for commercial kitchen appliances to be implemented in the foreseeable future. With our proprietary products and strong execution ability, the Group has successfully bid a few sizeable commercial kitchen Equipment Procurement Construction ("**EPC**") projects and would expect the revenue to be realised in the next year.

Consumer electronic product

(i) Childcare products

The market for childcare related products and services continues to grow exponentially especially with the recent relaxation of one-child policy which provides more catalysts in this industry. It is a competitive market, yet needs a strong local consolidator. During the Period, besides the traditional small and large baby appliances, the Group successfully launched smart devices and we aim to further strengthen this sector.

In addition to developing products by ourselves, we signed an agreement with Nuby (Nüby™ is one of the world's leading baby and infant feeding brands) to serve as its major distributor for pacifiers and accessories, teethers, bottles, hair & body care (baby shampoo, body wash, skin lotion etc) etc in the PRC. Relying on the Group's strong pipeline, the Management would expect to form strategic partnerships with a lot more international brands.

On the distribution side, we initiated Online to offline ("**O2O**") strategy during the Period, our products are currently available in various e-commerce channels and lots of the mother & baby stores in most of the major cities in the PRC. We aim to open a few baby care themed franchised stores which showcase all our products while providing consumers a pleasant place for interaction in the second half of 2015 calendar year.

The management further optimised our own mother and baby interactive platform: Haier 優知媽咪滙 (http://baby.haier.com) and has accumulated decent registered users and active daily visitors. With our continuous efforts, we would expect a massive growth from this platform in the foreseeable future and we would further leverage and monetise the valuable resource in the years to come.

(ii) Water purifier

The PRC shows continuous economic growth significantly has resulted in an accelerated urbanisation process, leading to a significant increase in disposable income and rapid growth of consumption which ensures the stable and healthy development of the water purifier industry in the PRC. Due to the increasing urbanisation rate, disposable income and individual consumption, urban residents have become increasingly willing to spend on discretionary goods, including home appliances such as water purifiers, to improve living standards. Urban residents also increasingly realize that safe drinking water provide tangible health benefits.

Water purifier in the PRC is considered as a sun-rising market which is characterised by high growth yet fragmented. In the PRC, consumers increasingly concern about water quality due to water pollution caused by various factors. The demand for clean water is increasingly strong and growing fast. Per China Market Monitor Report, the water purifier market penetration rate in developed countries is over 80% whereas only 4% in the PRC, the market size is approx. RMB18 billion in 2013 and is expected to reach RMB400 billion by 2020.

Water purifier is a great business with high growth and high profitability. Apart from one off revenue generated from devise sale, recurring revenue can also be generated from the replacement of filters which have a lifespan from 6 months to 36 months depending on water quality, daily usage and the function of the filter. The Group is pleased to enter this market in time with a strong JV partner who plays a leading role in the appliance logistics, distribution, installation and after-sales service.

The Directors believe it is in the interest of the Company to develop further in business areas relating to water purifier. On 4 January 2015, the Group entered into a memorandum of understanding in respect of the possible acquisition of all or part of potential vendor's beneficial interest in 51% equity interest in 青島海施水設備有限公司, a company to be established in the PRC in 2015, which will in turn own 100% equity interest in a company established in the PRC ("**the Operating Company**"). The Operating Company is a company established in the PRC with limited liability and will be principally engaged in the business on research, wholesale, retail, installation, maintenance and after-sales service of water purification equipment and accessories. To the best of the Directors' knowledge, information, and belief having made reasonable enquiries, the potential vendor and its group companies are in the process of conducting reorganisation of their water purification and related business. This possible acquisition is subject to, among other things, further negotiations and the entering into of the formal agreement in relation to the possible acquisition.

Toys

The construction and renovation of the Indonesian factory are expected to be completed before the end of the financial year ending 31 March 2016, utilizing the proceeds from the 2012 Placing as well as additional bank borrowings. Management expects the growth in sales to continue in the FY2015/16 but the gross margin is expected to be reduced.

The expected reduction in the gross margin is due to (i) an increase in the amount of depreciation on all the newly acquired building and equipment; and (ii) increase in the overall labour and staff cost resulting from the imminent increase in the minimum wages and the additional costs on compliance and provision of social and health benefits. Consequently, the gross margin of this segment will remain the lowest among the Group's multiple revenue/reportable segments in the years to come.

For financial year ending 31 March 2016, the Indonesian factory is involved in the production of a major movie related toy figure product for the worldwide markets with North and South American being the main destinations. However, the orders for electronic components produced in the Serang factory will be reduced substantially due to our major components customer losing a major licensed property for their product lines which supported the Indonesian electronic production section over the last few years.

To further boost sales in the OEM toys manufacturing segment, one of the options is for additional investment on factory expansion and production equipment. Management will have to review this OEM business segment from time to time to assess whether further capital investments are justifiable as currently Indonesian bank borrowings are the only available source of financing arrangements in place (due to our land and building location,) to support the needed growth. In view of the high borrowing costs, the Board may have to consider alternative financing methods which include participation of external investors if the Management decides to continue the expansion.

As for the Kid Galaxy OBM toy segment, the Management has to constantly review whether further investments are viable in view of the decrease in sales in FY2014/15 and the slow recovery of the markets which Kid Galaxy is currently selling in, such as the international markets outside the U.S., namely Europe and Asia, which have not contributed much over the last few financial years. Although the gross margin is comparable to the Group's newer business segments, the continue requirement of addition investments into new product development, licensing fees, tooling, marketing and promotion costs are clouding this segment's future.

The Group has been undertaking business reengineering in the past few years, which is transforming the Group from a pure toy manufacturer into a multiple revenue streams group.

GROUP RESOURCES AND LIQUIDITY

As at 31 March 2015, the Group's cash and bank balances were approx. HK$107 million (FY13/14: HK$116 million). The Group's total bank borrowings were approx. HK$39 million (FY13/14: HK$20 million). The Group maintains a strong and net cash position. As at 31 March 2015, the Group recorded total current assets of approx. HK$502 million (FY13/14: HK$465 million) and total current liabilities of approx. HK$86 million (FY13/14: HK$43 million). The current ratio of the Group, calculated by dividing the total current assets by the current liabilities, was approx. 584% (FY13/14: 1,073%). The Group recorded an increase in shareholders' fund from approx. HK$568 million as at 31 March 2014 to a net asset position of approx. HK$623 million as at 31 March 2015. The increase was mainly due to the gain from the new business operation.

Overall, the Group's operations have strengthened. The financial position has improved tremendously compared to the previous reported financial periods. Barring unforeseen challenges, in the opinion of the Directors, the Group has sufficient financial resource to meet its operational and expansion needs.

SIGNIFICANT INVESTMENTS AND ACQUISITIONS

Save as disclosed in this announcement, the Group did not have any significant investments or acquisitions or disposal of subsidiaries during the Period under review.

EMPLOYEES

As at 31 March 2015, the Group had approx. 3,430 employees and contract workers based in Hong Kong headquarters, Macau office, PRC offices, the Indonesian factory and the US sales office. The number of employees of the Group varies from time to time depending on production needs and they are remunerated based on industry practices.

MODEL CODE OF SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") (the "**Model Code**"). The Company has made specific enquiry of its Directors. All Directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by Directors adopted by the Company throughout the year under review.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's shares during the Period under review.

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining a high standard of corporate governance practices as set out in the Corporate Governance Code (the "**CG Code**") in Appendix 14 to the Listing Rules and the Company has complied with the code provisions set out in the CG Code save for the deviation from code provision A.2.1.

Under the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. Mr. Leung Lun, M.H. was both the Chairman and the Chief Executive of the Company throughout the Period under review until 26 October 2014. From 27 October 2014, Mr. Diao Yunfeng succeeded Mr. Leung Lun, M.H.. The Board believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same person provides the Company with strong and consistent leadership enabling the Company to operate efficiently. The Board believes that the balance of power and authority is adequately ensured by the operations of the Board which comprises experienced and high-calibre individuals, with three of them being Independent Non-Executive Directors.

A detailed Corporate Governance Report setting out the Group's framework of governance and explanation about how the provisions of the CG Code have been applied will be included in the Company's Annual Report 2014/2015.

ANNUAL GENERAL MEETING FOR THE YEAR 2015 (THE "2015 AGM")

The 2015 AGM of the Company will be held on Wednesday, 2 September 2015. A circular containing, amongst other matters, further information relating to the 2015 AGM will be despatched to the shareholders of the Company as soon as practicable.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 31 August 2015 to 2 September 2015 (both dates inclusive), during which period no transfer of shares will be effected. In order to determine the entitlement to attend and vote at the 2015 AGM to be held on 2 September 2015, all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Abacus Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on 28 August 2015.

AUDIT COMMITTEE

The Audit Committee of the Company comprises three Independent Non-Executive Directors, namely, Mr. Lai Yun Hung, Mr. Ye Tian Liu and Dr. Ko Peter, Ping Wah. Mr. Lai is the Chairman of the Audit Committee and he possesses the appropriate professional qualification and accounting and related financial management expertise.

The principal activities of the Audit Committee of the Company include the review and supervision of the Group's financial reporting process, reviewing the effectiveness of external audit and of internal controls. The Company's annual results for the year ended 31 March 2015 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such annual results complied with the applicable accounting standards and requirements and that adequate disclosures have been made.

SCOPE OF WORKS OF MESSRS. BDO LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 March 2015 as set out in this preliminary announcement have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagement issued by the HKICPA and consequently no assurance has been expressed by BDO Limited on this preliminary announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT

This results announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under "Latest Listed Companies Information" and the website of the Company at www.haier-healthwise.com.hk under "Investor Relations".

On behalf of the Board of
Haier Healthwise Holdings Limited
Diao Yunfeng
Chairman and Chief Executive Officer

Hong Kong, 30 June 2015

As at the date of this announcement, the executive Directors are Mr. Diao Yunfeng (Chairman and Chief Executive Officer), Mr. Leung Lun, M.H. and Ms. Fang Fang; and the independent non-executive Directors are Mr. Ye Tian Liu, Mr. Lai Yun Hung and Dr. Ko Peter, Ping Wah.