EAGLE LEGEND ASIA LIMITED
鵬程亞洲有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 936)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

The board (the "Board") of directors (the "Director(s)") of Eagle Legend Asia Limited (the "Company") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2015 together with the comparative figures in 2014 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Notes	**2015** *HK$'000*	2014 *HK$'000*
Revenue	*5*	**239,755**	305,278
Cost of sales and services		**(145,375)**	(166,939)
Gross profit		**94,380**	138,339
Other income and gains	*6*	**2,983**	6,415
Selling and distribution expenses		**(3,487)**	(4,842)
Administrative expenses		**(65,739)**	(76,268)
Operating expenses		**(45,061)**	(47,721)
Finance costs	*7*	**(26,478)**	(26,881)
Loss before income tax	*8*	**(43,402)**	(10,958)
Income tax credit/(expense)	*9*	**1,333**	(225)
Loss for the year		**(42,069)**	(11,183)
Other comprehensive income			
Item that will not be reclassified to profit or loss:			
Gain on revaluation of properties held for own use, net of tax		**1,288**	862
Items that may be reclassified subsequently to profit or loss:			
Reclassification adjustment on disposal of available-for-sale investments		**–**	91
Exchange differences on translating foreign operations		**(7,782)**	(6,139)
Other comprehensive income for the year		**(6,494)**	(5,186)
Total comprehensive income for the year		**(48,563)**	(16,369)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (Continued)

For the year ended 31 December 2015

	Notes	**2015** **HK$'000**	2014 HK$'000
Loss for the year attributable to:			
— Owners of the Company		**(42,035)**	(11,079)
— Non-controlling interests		**(34)**	(104)
		(42,069)	(11,183)
Total comprehensive income attributable to:			
— Owners of the Company		**(48,529)**	(16,265)
— Non-controlling interests		**(34)**	(104)
		(48,563)	(16,369)
Loss per share			
— Basic and diluted (HK cents)	*11*	**(5.3)**	(1.4)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	Notes	**2015** **HK$'000**	2014 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**350,005**	397,119
Payments for leasehold land held for own use under operating leases		**21,586**	23,092
		371,591	420,211
Current assets			
Inventories and consumables		**43,705**	51,796
Trade and bill receivables	*12*	**56,221**	70,546
Prepayments, deposits and other receivables		**37,237**	27,414
Tax recoverable		**–**	299
Cash and cash equivalents		**84,346**	111,613
		221,509	261,668
Current liabilities			
Trade and bill payables	*13*	**77,508**	62,878
Receipt in advance, accruals and other payables		**86,289**	79,848
Bank borrowings		**43,884**	47,833
Bonds payable		**100,000**	–
Finance lease payables		**41,768**	54,640
Provision for tax		**36**	492
		349,485	245,691
Net current (liabilities)/assets		**(127,976)**	15,977
Total assets less current liabilities		**243,615**	436,188
Non-current liabilities			
Bank borrowings		**18,799**	21,585
Bonds payable		**–**	100,000
Finance lease payables		**55,397**	93,993
Other payables		**9,142**	9,523
Deferred tax liabilities		**18,037**	20,284
		101,375	245,385
Net assets		**142,240**	190,803

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)
As at 31 December 2015

	Notes	**2015** *HK$'000*	2014 *HK$'000*
EQUITY			
Share capital		**8,000**	8,000
Reserves		**133,688**	182,217
Equity attributable to the Company's owners		**141,688**	190,217
Non-controlling interests		**552**	586
Total equity		**142,240**	190,803

Notes:

1. GENERAL

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The address of its registered office is located at Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. Its principal place of business in Hong Kong is located at Room 3607, 36/F, China Resources Building, 26 Harbour Road, Wan Chai, Hong Kong. The Group is principally engaged in trading of construction machinery and spare parts, leasing of the construction machinery, providing repair and maintenance services in respect of the construction machinery and manufacturing and sales of proprietary Chinese medicines and health products.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 19 July 2010. The immediate and ultimate holding company of the Company is Harbour Luck Investments Limited, which is incorporated in Hong Kong with limited liability.

2. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations (hereinafter collectively referred to as the "HKFRS") issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

In addition, the Group has adopted the amendments to the Listing Rules issued by the Stock Exchange of Hong Kong Limited relating to the disclosure of financial information with reference to the Hong Kong Companies Ordinance (Cap. 622) during the current financial year. The main impact on the financial statements is on the presentation and disclosure of certain information in the financial statements.

(b) Basis of measurement and going concern assumption

The financial statements have been prepared under the historical cost basis except for land and building carried at fair value, which are measured at fair values as explained in the accounting policies set out below.

During the year, the Group has incurred a loss of approximately HK$42,069,000 and at the end of reporting period, its current liabilities exceeded its current assets by approximately HK$127,976,000. The Directors consider that the Group will be able to meet its financial obligations as they fall due for twelve months from 31 December 2015, on the basis that (a) an unconditional undertaking from the ultimate controlling party so as to enable the Group to meet their obligations and liabilities as and when they fall due and to continue their day-to-day business operations as a viable going concern notwithstanding any present or future financial difficulties for coming twelve months at least up to 31 December 2016; (b) the Group's future operations can generate sufficient cash flows; and (c) subsequent to reporting date, the Group has obtained loan facility of approximately HK$175,000,000 from an independent third party as a liquidity cushion for cash flows, of which the loan facility is available to draw down on or before 31 December 2016. The Directors are of the opinion that, in the absence of unforeseen circumstances, the Group will have sufficient financial resources to finance its working capital requirements for the next twelve months from the reporting date. Accordingly, the financial statements have been prepared on a going concern basis.

If the going concern basis is not appropriate, adjustments would have to be made to reduce the values of the assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

3. ADOPTION OF HKFRS

(a) Adoption of new/revised HKFRS — effective 1 January 2015

During the year, the Group has adopted all the new and revised HKFRS which are first effective for the reporting year and relevant to the Group. Except as explained below, the adoption of these revised HKFRS did not result in material changes to the Group's accounting policies.

HKFRSs (Amendments)	Annual Improvements 2010–2012 Cycle
HKFRSs (Amendments)	Annual Improvements 2011–2013 Cycle

Annual Improvements 2010–2012 Cycle and 2011–2013 Cycle

The amendments issued under the annual improvements process make small, non-urgent changes to a number of standards where they are currently unclear. They include amendments to HKAS 16 Property, Plant and Equipment to clarify how the gross carrying amount and accumulated depreciation are treated where an entity uses the revaluation model. The carrying amount of the asset is restated to revalued amount. The accumulated depreciation may be eliminated against the gross carrying amount of the asset. Alternatively, the gross carrying amount may be adjusted in a manner consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount after taking into account accumulated impairment losses.

The adoption of the amendments to HKAS 16 has no impact on these financial statements as the latter treatment is consistent with the manner in which the Group has previously dealt with revaluations of its property, plant and equipment. Apart from amendments to HKAS 16, the adoption of other amendments has no material impact on the Group's financial statements.

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

The following new/revised HKFRS, 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 2012–2014 Cycle[1]
Amendments to HKAS 1	Disclosure Initiative[1]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[1]
HKFRS 9 (2014)	Financial Instruments[2]
HKFRS 15	Revenue from Contracts with Customers[2]

[1] Effective for annual periods beginning on or after 1 January 2016
[2] Effective for annual periods beginning on or after 1 January 2018

Amendments to HKAS 1 — Disclosure Initiative

The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements.

Amendments to HKAS 27 — Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements.

HKFRS 9 (2014) — Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income ("FVTOCI") if the objective of the entity's business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit or loss ("FVTPL").

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

HKFRS 15 — Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer
Step 2: Identify the performance obligations in the contract
Step 3: Determine the transaction price
Step 4: Allocate the transaction price to each performance obligation
Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRS and the Directors so far concluded that the application of these new pronouncements will have no material impact on the Group's financial statements.

4. SEGMENT INFORMATION

The Group's operating businesses are structured and managed separately according to the geographic location of their operations. Each of the Group's operating segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other operating segments. Information regarding the Group's reportable segments as provided to the Group's executive directors is set out below:

	Hong Kong	Singapore	Vietnam	Macau	The People's Republic of China (the "PRC")	Inter segment elimination	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Year ended 31 December 2015							
Revenue							
From external customers	**62,423**	**107,424**	**–**	**3,999**	**65,909**	**–**	**239,755**
From inter segment	**5,875**	**–**	**–**	**–**	**–**	**(5,875)**	**–**
Reportable segment revenue	**68,298**	**107,424**	**–**	**3,999**	**65,909**	**(5,875)**	**239,755**
Reportable segment (loss)/profit	**(7,771)**	**(10,415)**	**(102)**	**602**	**(359)**	**(656)**	**(18,701)**
Interest on bonds payable							**(17,201)**
Unallocated corporate expenses							**(6,167)**
Loss for the year							**(42,069)**
Other reportable segment information							
Interest income	**44**	**8**	**1**	**–**	**506**	**–**	**559**
Interest expenses	**(1,534)**	**(4,961)**	**–**	**–**	**(2,782)**	**–**	**(9,277)**
Amortisation on payments for leasehold land held for own use under operating leases	**–**	**–**	**–**	**–**	**(582)**	**–**	**(582)**
Depreciation of non-financial assets	**(12,983)**	**(29,845)**	**–**	**–**	**(3,272)**	**–**	**(46,100)**
Recovery of impairment loss on trade receivables, net	**–**	**(633)**	**–**	**–**	**–**	**–**	**(633)**
Gain on disposal of property, plant and equipment	**291**	**4**	**–**	**–**	**–**	**–**	**295**
Income tax credit/(expense)	**771**	**598**	**–**	**(1)**	**(35)**	**–**	**1,333**
Additions to non-current segment assets during the year	**23,725**	**17,489**	**–**	**–**	**1,100**	**(4,475)**	**37,839**
At 31 December 2015							
Reportable segment assets	**147,983**	**268,399**	**61**	**805**	**147,715**	**(2,428)**	**562,535**
Unallocated segment assets							**30,565**
Total assets							**593,100**
Reportable segment liabilities	**55,790**	**137,880**	**309**	**309**	**103,745**	**–**	**298,033**
Bonds payable							**100,000**
Other unallocated segment liabilities							**52,827**
Total liabilities							**450,860**

	Hong Kong *HK$'000*	Singapore *HK$'000*	Vietnam *HK$'000*	Macau *HK$'000*	PRC *HK$'000*	Inter segment elimination *HK$'000*	Total *HK$'000*
Year ended 31 December 2014							
Revenue							
From external customers	94,221	140,388	–	15,233	55,436	–	305,278
From inter segment	9,765	525	–	–	–	(10,290)	–
Reportable segment revenue	103,986	140,913	–	15,233	55,436	(10,290)	305,278
Reportable segment profit/(loss)	6,223	2,286	(315)	1,398	1,147	(97)	10,642
Interest on bonds payable							(15,265)
Unallocated corporate expenses							(6,560)
Loss for the year							(11,183)
Other reportable segment information							
Interest income	1,341	4	1	–	953	–	2,299
Interest expenses	(2,085)	(6,371)	–	–	(3,160)	–	(11,616)
Amortisation on payments for leasehold land held for own use under operating leases	–	–	–	–	(607)	–	(607)
Depreciation of non-financial assets	(15,155)	(30,152)	–	–	(4,315)	–	(49,622)
Impairment loss on trade receivables, net	–	(1,065)	5	–	–	–	(1,060)
Gain/(loss) on disposal of property, plant and equipment	155	(600)	–	–	(87)	–	(532)
Income tax expense	(217)	(75)	–	(138)	205	–	(225)
Additions to non-current segment assets during the year	13,366	47,787	–	–	194	(1,402)	59,945
At 31 December 2014							
Reportable segment assets	168,093	324,732	120	5,456	142,032	(1,832)	638,601
Unallocated segment assets							43,278
Total assets							681,879
Reportable segment liabilities	73,658	180,720	300	4,917	95,855	–	355,450
Bonds payable							100,000
Other unallocated segment liabilities							35,626
Total liabilities							491,076

The following tables present (i) the revenue from external customers by locations/jurisdictions of customers from which the Group derived revenue for the year and (ii) non-current assets by locations of assets.

Revenue from external customers

	Hong Kong (domicile)	Singapore	Vietnam	Macau	PRC	Sri Lanka	Korea	Thailand	Indonesia	United Arab Emirates	Others	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Year ended 31 December 2015	**53,835**	**98,822**	**2,124**	**3,999**	**65,909**	**28**	**12,865**	**1,872**	**28**	**273**	**–**	**239,755**
Year ended 31 December 2014	87,527	126,975	5	15,233	55,436	16	15,221	1,506	12	2,352	995	305,278

Non-current assets

	Hong Kong (domicile)	Singapore	PRC	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 December 2015	**96,797**	**212,588**	**62,206**	**371,591**
At 31 December 2014	104,646	247,888	67,677	420,211

The Group's revenue from external customers for different products and services is set out in note 5.

Information about a major customer

Revenue from one customer of the Group's PRC (2014: Hong Kong) segment amounted to approximately HK$29,624,000 (2014: HK$49,234,000), which represented 12% (2014: 16%) of the Group's revenue for the year.

5. REVENUE

The Group's principal activities are trading of construction machinery and spare parts, leasing of the construction machinery, providing repair and maintenance of services in respect of the construction machinery and manufacturing and sales of proprietary Chinese medicines and health products.

Revenue from the Group's principal activities during the year is as follows:

	2015	2014
	HK$'000	*HK$'000*
Sales of machinery	**49,825**	69,099
Sales of spare parts	**3,621**	6,068
Rental income from leasing of owned plant and machinery and those held under finance leases	**84,190**	121,491
Rental income from subleasing of plant and machinery	**6,959**	12,336
Service income	**29,251**	40,848
Sales of proprietary Chinese medicines and health products	**65,909**	55,436
	239,755	305,278

6. OTHER INCOME AND GAINS

	2015	2014
	HK$'000	*HK$'000*
Bank interest income	**79**	1,361
Other interest income	**480**	938
Compensation received	**629**	548
Dividend income	**–**	124
Commission income	**–**	57
Gain on disposal of financial assets at FVTPL	**–**	21
Gain on disposal of property, plant and equipment	**295**	–
Government subsidies *(Note)*	**1**	548
Recovery of impairment loss on trade receivables, net	**633**	–
Reversal of over provision of legal claim	**–**	1,991
Others	**866**	827
	2,983	6,415

Note: Government subsidies comprised unconditional cash subsidies from government for subsidising the Group's manufacturing and sales of proprietary Chinese medicines and health products business.

7. FINANCE COSTS

	2015	2014
	HK$'000	*HK$'000*
Interest charges on financial liabilities stated at amortised cost:		
— Bank borrowings wholly repayable within five years	**2,782**	3,226
— Bank borrowings not wholly repayable within five years	**1,170**	1,259
— Bonds wholly repayable within five years	**17,201**	15,265
— Finance lease payables wholly repayable within five years	**5,113**	6,647
— Trade payables	**212**	484
	26,478	26,881

8. LOSS BEFORE INCOME TAX

	2015	2014
	HK$'000	*HK$'000*
Loss before income tax is arrived at after charging/(crediting):		
Auditor's remuneration		
— Current year	**627**	647
— Over provision in respect of prior year	**(21)**	(8)
Cost of inventories recognised as an expense	**84,563**	106,158
Depreciation of property, plant and equipment		
— Owned assets	**23,755**	22,334
— Assets held under finance leases	**22,345**	27,288
	46,100	49,622
Amortisation of payments for leasehold land held for own use under operating leases	**582**	607
(Recovery of impairment loss)/impairment loss on trade receivables, net	**(633)**	1,060
Impairment loss on other receivables	**31**	117
Bad debt written-off	**332**	269
Provision for impairment of inventories	**107**	506
(Gain)/loss on disposal of property, plant and equipment	**(295)**	532
Written off of property, plant and equipment	**453**	2,656
Operating lease charges in respect of land and buildings	**5,591**	4,728
Loss on disposal of available-for-sale investments	**–**	27
Reversal of over provision for legal claim	**–**	(1,991)
Employee costs (including Directors' remunerations)	**44,403**	43,142
Net foreign exchange loss	**2,029**	2,304
Net rental income from subletting of plant and machinery	**(3,120)**	(4,607)

9. INCOME TAX EXPENSE

	2015	2014
	HK$'000	*HK$'000*
Current tax — Singapore		
— Current year	**–**	2
— Over provision in respect of prior years	**–**	(210)
	–	(208)
Current tax — PRC		
— Current year	**–**	342
— Under provision in respect of prior year	**35**	–
	35	342
Current tax — Macau		
— Current year	**36**	149
— Over provision in respect of prior years	**(35)**	(11)
	1	138
Deferred tax		
— Current year	**(1,369)**	(47)
Total income tax (credit)/expense	**(1,333)**	225

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any taxation under the jurisdictions of the Cayman Islands and the BVI.

Hong Kong and Vietnam profits tax have not been provided as the Group has no assessable profits.

Singapore profits tax and PRC Enterprise Income Tax have not been provided as the Group has no assessable profits for the year.

Singapore profits tax and PRC Enterprise Income Tax had been provided for the year ended 31 December 2014 at tax rates of 17% and 25% on the estimated assessable profits respectively.

Macau Complementary Tax has been provided for the year at a tax rate of 12% (2014: 12%) on the estimated assessable profits.

10. DIVIDEND

No dividend has been paid or declared by the Company for the year ended 31 December 2015 (2014: nil).

11. LOSS PER SHARE

The calculation of basic loss per share is based on the loss attributable to owners of the Company of approximately HK$42,035,000 (2014: approximately HK$11,079,000) and on 800,000,000 (2014: 800,000,000) ordinary shares in issue during the year.

Diluted loss per share is the same as the basic loss per share because the Group has no dilutive potential shares during the year (2014: nil).

12. TRADE AND BILL RECEIVABLES

The Group's trading terms with its existing customers are mainly on credit. The credit period is, in general, ranging from 0 to 60 days or based on the terms agreed in the relevant sales and rental agreements.

The ageing analysis of trade and bill receivables as at the reporting date, net of impairment, based on invoice date, is as follows:

	2015	2014
	HK$'000	*HK$'000*
0–30 days	**10,780**	24,909
31–60 days	**13,155**	24,945
61–90 days	**8,237**	10,351
91–365 days	**24,049**	10,341
	56,221	70,546

13. TRADE AND BILL PAYABLES

	2015	2014
	HK$'000	*HK$'000*
Trade payables	**59,869**	50,453
Bill payables	**17,639**	12,425
	77,508	62,878

The credit period is, in general, ranging from 30 to 60 days or based on the terms agreed in purchase agreements. At 31 December 2015, there is no interest-bearing trade payables. At 31 December 2014, certain trade payables of approximately HK$8,491,000 were interest-bearing at 5.5% per annum.

The ageing analysis of trade and bill payables as at the reporting date, based on invoice date, is as follows:

	2015	2014
	HK$'000	*HK$'000*
0–30 days	**34,685**	26,580
31–60 days	**9,756**	12,048
61–90 days	**18,504**	12,767
Over 90 days	**14,563**	11,483
	77,508	62,878

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL AND FINANCIAL REVIEW

Overall performance

For the year ended 31 December 2015, the Group generated revenue of approximately HK$239.8 million (2014: approximately HK$305.3 million) with a loss for the year of approximately HK$42.1 million (2014: approximately HK$11.2 million).

Business Review

For the year ended 31 December 2015, the Group recorded revenue of approximately HK$239.8 million compared to approximately HK$305.3 million achieved in the previous year.

The decrease in revenue for the year under review was mainly attributable to the decrease of sales of machinery, rental income leasing of machinery, sales of spare parts and service income.

Revenue from sales of machinery of approximately HK$49.8 million was recorded for the year under review, representing a decrease of approximately 27.9% compared to the amount we achieved in 2014. Due to the more common adoption of pre-casts construction technology and façade, heavier lifting capacity tower cranes become a trend. Customers became more cautious in the selection and purchase of tower crane. There is a trend that tower crane rental is a preferred option for our customers.

The revenue from sales of spare parts and service also recorded a decrease from approximately HK$46.9 million in the previous year to approximately HK$32.9 million for the year under review.

The Singapore construction industry continued to be under pressure in 2015. Total construction demand in terms of value of contracts awarded amounted to approximately S$27.2 billion in which approximately 51.5% was awarded by the public sector. Private sector continued to be sluggish. Chinese made cranes continued to flood the market with aggressive financing choices offered to the dealers or customers. This enabled our competitors to either offer very competitive sale packages or to roll out very aggressive rental schemes to tender for projects.

As a result of the above factors and notwithstanding our satisfactory fleet utilization rate in Singapore, our rental business recorded a decrease of approximately 25.5% from approximately HK$94.0 million for the year ended 31 December 2014 to approximately HK$70.0 million for the year 2015 in Singapore.

Our Hong Kong operations recorded a decreased of revenue from approximately HK$94.2 million to approximately HK$62.4 million for the year under review, representing a decrease of approximately 33.8%. The situation and the competition development in Hong Kong were very similar to that in Singapore a year ago. Hong Kong started to face a very competitive landscape in 2015 due to the cut throat rental war initiated by one of the competitors. Fleet utilization rate also worsened. Coupled with the reduction in market rental rate, Hong Kong experienced a very difficult year in 2015.

Revenue from sales of proprietary Chinese medicine and health products of approximately HK65.9 million was recorded for the year under review, representing an increase of approximately 18.9% compared to the amount we achieved in 2014. The increase was mainly attributable to the increase in market demand of our products.

Dividend

The Directors do not recommend the payment of any dividends for the year ended 31 December 2015.

Financial review

Results for the Year

As detailed in the section headed "Business Review" above, the Group recorded a loss for the year of approximately HK$42.1 million compared to approximately HK$11.2 million in 2014.

For the year ended 31 December 2015, the Group's other income and gains amounted to approximately HK$3.0 million, representing a decrease of approximately 53.5% compared to that of 2014. The decrease was mainly attributable to the absence of one-off gain on reversal of over provision of a legal claim recorded in 2014 and the decrease in bank interest income for the year under review.

The Group's property, plant and equipment amounted to approximately HK$350.0 million, representing a decrease of approximately 11.9% compared to that of 2014. The depreciation charges and staff costs for the current year decreased by approximately HK$3.5 million and increased by approximately HK$1.3 million respectively, as compared to the amounts for the previous year.

The Group's finance costs amounted to approximately HK$26.5 million for the year ended 31 December 2015, representing a decrease of approximately 1.5% compared to that of 2014.

Liquidity and Financial Resources

The Group held cash and cash equivalents of approximately HK$84.3 million (2014: approximately HK$111.6 million). The total equity of the Group decreased to approximately HK$142.2 million as at 2015 financial year end (2014: approximately HK$190.8 million).

As at 31 December 2015, the Group had net current liabilities of approximately HK$128.0 million (2014: net current assets of approximately HK$16.0 million).

Capital Structure

As at 31 December 2015, the Company's total issued shares was 800,000,000 at HK$0.01 each (the "Shares", each, a "Share"). There was no change in the share capital of the Company during the year.

Investment Position and Planning

During the year under review, the Group spent approximately HK$37.8 million for acquisition of plant and equipment (2014: approximately HK$59.9 million).

The Group did not have any significant acquisition or disposal of subsidiaries and associated companies during the year under review.

Pursuant to the resolution passed in the board of management's meeting of Manta-Vietnam Construction Equipment Leasing Limited dated 10 January 2013, the board of management resolved to liquidate the company (the "Liquidation"). As at the date of this announcement, the Liquidation is still in process.

Gearing

The Group monitors capital using a gearing ratio, which is total debts (sum of bonds payable, bank borrowings and finance lease payables) divided by total equity. Notwithstanding the decrease in total debts as at 31 December 2015 as compared to that of 2014, the gearing ratio as at 31 December 2015 was increased to 1.8 (2014: 1.7), mainly due to the net loss recorded for the year under review.

Pledge of Assets

The Group's banking facilities were secured by the assets of the Group, including land and building carried at fair value, buildings carried at cost and payments for leasehold land held for own use under operating leases, with aggregated carrying amounts of approximately HK$103.0 million (2014: approximately HK$111.4 million). The bonds of HK$100 million were secured by the equity interest of certain subsidiaries.

Exchange Rate Exposure

As at 31 December 2015, more than half of the revenue and part of assets and liabilities of the Group were denominated in currencies other than Hong Kong dollar. In particular, the revenue generated from our rental operations in Singapore is primarily denominated in Singapore dollar. Purchases of tower cranes, spare parts and accessories from suppliers were usually denominated in Euro or United States dollar. Revenue and purchases in our manufacturing and sales of proprietary Chinese medicines and health products in the PRC are denominated in Renminbi. For foreign currency purchases, hedging arrangements to hedge against foreign exchange fluctuations may be entered. However, no hedging arrangement was undertaken for revenue generated from our Singapore and PRC operations.

Treasury Policies

The Group generally finances its ordinary operations with internally generated resources or banking facilities. The interest rates of most of the borrowings and finance lease arrangement, if applicable, are charged by reference to prevailing market rates.

Contingent Liabilities

At the end of the reporting period, the Group and the Company did not have any significant contingent liabilities.

Commitments

The Group had no capital commitments as at 31 December 2015 and 2014.

EMPLOYMENT AND REMUNERATION POLICY

As at 31 December 2015, the Group had a total of 283 (2014: 273) employees in Hong Kong, Singapore, Vietnam and the PRC. The Group has not had any significant problems with its employees or disruptions due to labour disputes nor has it experienced difficulties in the recruitment and retention of experienced staff. The Group remunerates its employees based on industry practices. Its staff benefits, welfare and statutory contributions, if any, are made in accordance with individual performance and prevailing labour laws of its operating entities.

FUTURE PROSPECTS

The overall macro-economic factors and data remain consistent compared to those we noted, reviewed and collected in 2015.

The Singapore construction market is expected to continue to be challenging particularly in the private housing sector. Building and Construction Authority ("BCA") in Singapore forecasted that the total construction contracts to be awarded in 2016 would value up to S$34 billion. This represents a forecasted growth of 25.0% over the 2015 contracts awarded. The good news is that the public sector is forecasted to continue to grow at a rate of 53.5% over that of 2015 but this is to be offset by the reduction in the private sector contracts awarded.

It is reasonable to anticipate that the price war in Singapore will continue. We are working hand in hand with the manufacturer to penetrate into area of higher lifting capacity tower cranes. This will enable us to re-establish our market niche and positioning to focus on quality and services instead of head-on price war. These higher capacity cranes should provide a better rate of return to help improve in the financials.

In 2015, we rolled out a 24-hour services hotline in Singapore to cater for any emergency technical needs of our customers. This has added positive comments to our existing service team reputation in the market. Service team is our strongest asset to differentiate ourselves from other competitors and we shall continue to strengthen it from time to time.

The challenge in Hong Kong in 2015 could mainly be ascribed to unsatisfactory utilization rate. In the fourth quarter of 2015, we have rolled out a number of measures to re-establish Manta Hong Kong's brand and market positioning. A Business Development & Services director was recruited; fleet streamlining plan was rolled out; a numbers of new customers were acquired and service enhancement programs were launched. All these have contributed to our recent encouraging record of new customer acquisition and fleet utilization rate.

In late 2015, Manta Hong Kong obtained the exclusive dealership of GJJ passenger hoists in Hong Kong and Macau. GJJ is an established Chinese passenger hoist brand and is considered the second largest passenger hoist brand in the world in terms of market presence and units manufactured. Manta Hong Kong has utilized the advantage of bundling tower cranes and passenger hoists together to offer attractive commercial deals to our customers. The feedback and results of this business strategy has been promising. This provides Manta Hong Kong with a unique competitive advantage in the market compared to other pure tower crane rental companies.

We will continue to look for complementary products to differentiate ourselves from other single product tower crane rental companies. The synergy and benefits resulting from the provision of choices and varieties of construction equipment or products to our customer are considered unique and attractive. This allows us great flexibility and advantage in pricing, sales tactic as well as penetration into new customers in the future.

On the other hand, the Group will continue to exercise its best effort in formulating appropriate strategy as to strength and support, and seeking opportunities to expand our proprietary Chinese medicines and health products business in the PRC. The Group will also seek opportunities actively in diversifying its existing businesses as well as broadening its income base.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the year.

SUBSEQUENT EVENT AFTER THE REPORTING PERIOD

Loan facility from an independent third party

On 21 March 2016 (the "Agreement Date"), the Company entered into a loan agreement with an independent third party (the "Lender") in relation to the provision of loan facility of HK$175.0 million bearing interest at the rate of 12% per annum (the "Facility"). Drawdown under the Facility (the "Loan") may be made at any time from the Agreement Date to 31 December 2016 upon request of the Company, subject to the fulfillment (or waiver from the Lender at its absolute discretion) of certain conditions precedent. The Loan, if drawn, will be due for repayment on 30 April 2017, or such other date as agreed in writing between the Company and the Lender. The Loan is secured by the debenture incorporating fixed and floating charge over the undertaking, property and assets of the Company made by the Company in favour of the Lender.

CORPORATE GOVERNANCE PRACTICES

The Company believes that good corporate governance will not only improve management accountability and investor confidence, but also will lay a good foundation for the long term development of the Company. Therefore, the Company will strive to develop and implement effective corporate governance practices and procedures.

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all the code provisions of the Corporate Governance Code and Corporate Governance Report (the "CG Code and Report") contained in Appendix 14 to the Listing Rules throughout the year ended 31 December 2015.

Full details on the Company's corporate governance practices are set out in the Company's 2015 Annual Report.

COMPLIANCE WITH THE 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") set out in Appendix 10 to the Listing Rules as its code of conduct for securities transactions by the Directors during the year. Having made specific enquiries, all Directors confirmed that they had complied with the required standard set out in the Model Code throughout the year.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") was established on 25 June 2010 with written terms of reference in order to comply with the CG Code and report. Currently, the Audit Committee comprises Mr. Wan Tze Fan Terence (chairman of the Audit Committee), Mr. Tsui Robert Che Kwong and Ms. Yang Yan Tung Doris, all are independent non-executive Directors.

The Audit Committee is primarily responsible for overseeing all financial reporting procedures and the effectiveness of the Company's internal controls and then reports the findings, decisions and recommendations to the Board; making recommendation to the Board on the appointment, re-appointment and removal of external auditor and approving the remuneration and terms of engagement of the external auditor and any questions of resignation or dismissal of that auditor; and reviewing and monitoring the independence and objectivity of external auditor and the effectiveness of the audit process in accordance with applicable standard.

The Audit Committee has reviewed with the management of the Company the annual results for the year ended 31 December 2015 including the accounting principles and practices adopted by the Group and the internal control and financial reporting matters.

REVIEW OF FINANCIAL INFORMATION

The figures in respect of this announcement of the Group's result for the year ended 31 December 2015 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 ended 31 December 2015. 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 Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently, no assurance has been expressed by BDO Limited on this announcement.

PUBLICATION OF INFORMATION ON DESIGNATED WEBSITES

The results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (http://www.elasialtd.com) respectively. The annual report of the Company for the year ended 31 December 2015 will be dispatched to the shareholders of the Company and published on the same websites in due course.

By order of the Board
Eagle Legend Asia Limited
Zeng Li
Chairman

Hong Kong, 21 March 2016

As at the date of this announcement, the Board comprises Mr. Zeng Li, Mr. Winerthan Chiu and Mr. Chan Ka Lun as executive Directors; Mr. Wu Bang Xing as non-executive Director; and Mr. Wan Tze Fan Terence, Mr. Tsui Robert Che Kwong and Ms. Yang Yan Tung Doris as independent non-executive Directors.