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太 睿 國 際 控 股 有 限 公 司
PacRay International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 1010)

ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2016

The board (the “**Board**”) of directors (the “**Directors**”) of PacRay International Holdings Limited (the “**Company**”) is pleased to announce the annual results of the Company and its subsidiaries (collectively referred hereinafter as the “**Group**”) for the year ended 31 December 2016.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2016

	<i>Note</i>	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Revenue	3	17,337	13,614
Cost of sales	6	(7,697)	(5,790)
Gross profit		9,640	7,824
Distribution costs	6	(68)	(71)
General and administrative expenses	6	(16,771)	(21,312)
Other income	4	4,135	1,166
Other losses, net	5	(1,831)	(13,405)
Loss before income tax		(4,895)	(25,798)
Income tax (expense)/credit	7	(99)	545
Loss for the year attributable to owners of the Company		(4,994)	(25,253)
		<i>HK cents</i>	<i>HK cents</i>
Loss per share for loss attributable to owners of the Company — Basic and diluted	9	(1.48)	(7.50)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Loss for the year	(4,994)	(25,253)
Other comprehensive loss		
<i>Items that may be reclassified to profit or loss</i>		
Fair value loss on available-for-sale financial assets	(8,471)	–
Currency translation differences	(748)	(570)
Total comprehensive loss for the year attributable to owners of the Company	<u>(14,213)</u>	<u>(25,823)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

	<i>Note</i>	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		2,288	2,560
Intangible assets		–	–
Deferred income tax assets		412	542
Available-for-sale financial assets	<i>10</i>	47,055	–
Long-term deposits		177	516
		49,932	3,618
Current assets			
Inventories		4,282	3,365
Trade and bills receivables	<i>11</i>	3,991	2,977
Deposits, prepayments and other receivables		15,124	1,100
Amount due from a related party		3	3
Financial assets at fair value through profit or loss	<i>12</i>	718	71,256
Current income tax recoverables		51	58
Cash and cash equivalents	<i>13</i>	81,726	87,791
		105,895	166,550
Total assets		155,827	170,168
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital		134,922	134,922
Other reserves		(8,674)	545
Retained earnings		26,981	31,975
Total equity		153,229	167,442
LIABILITIES			
Current liabilities			
Trade payables	<i>14</i>	105	91
Other payables and accruals		2,493	2,635
Total liabilities		2,598	2,726
Total equity and liabilities		155,827	170,168

Notes:

1 GENERAL INFORMATION

PacRay International Holdings Limited (the “**Company**”) and its subsidiaries (together the “**Group**”) are principally engaged in the design and distribution of integrated circuits and semi-conductor parts in the People’s Republic of China (the “**PRC**”) and investments holding.

The Company is a limited liability company incorporated in Bermuda. The address of its principal place of business is Unit 408, 4/F., Nan Fung Tower, 88 Connaught Road Central, Hong Kong.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

These consolidated financial statements are presented in thousands of units of Hong Kong dollars (HK\$’000), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 22 March 2017.

2 BASIS OF PREPARATION

The consolidated financial statements of the Company have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards. The consolidated financial statements have been prepared under the historical cost convention, as modified by available-for-sale financial assets and financial assets at fair value through profit or loss, which are carried at fair values.

3 SEGMENT INFORMATION

The Group is principally engaged in the design, distribution and trading of integrated circuits and semi-conductor parts in the PRC and investments holding.

For management purpose, the Group is organised into two main operations:

- (i) corporate administration and investment functions performed by the Hong Kong headquarter; and
- (ii) design and sales of integrated circuits used in industrial and household measuring tools conducted through the Group’s subsidiary in the PRC, namely Shanghai SyncMOS Semiconductor Company Limited (“**Shanghai SyncMOS**”).

These operating segments are the basis on which the Group reports its primary segment information to the chief operating decision-maker who is the Chairman of the Board.

The chief operating decision-maker assesses the performance of the operating segments based on a measure of revenue, operating profit and net profit.

	Hong Kong <i>HK\$'000</i>	PRC <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 December 2016			
Revenues from external customers	–	17,337	17,337
Operating (loss)/profit	(6,399)	1,149	(5,250)
Interest income	346	9	355
(Loss)/profit before income tax	(6,053)	1,158	(4,895)
Income tax expense	–	(99)	(99)
(Loss)/profit for the year	(6,053)	1,059	(4,994)
Other losses — net, included in results for the year	(1,760)	(71)	(1,831)
Depreciation and amortisation, included in results for the year	41	508	549
Capital expenditures	9	482	491
As at 31 December 2016			
Segment assets	143,370	12,457	155,827
Segment liabilities	1,271	1,327	2,598

	Hong Kong <i>HK\$'000</i>	PRC <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the year ended 31 December 2015			
Revenues from external customers	–	13,614	13,614
Operating (loss)/profit	(26,235)	155	(26,080)
Interest income	267	15	282
(Loss)/profit before income tax	(25,968)	170	(25,798)
Income tax credit	–	545	545
(Loss)/profit for the year	(25,968)	715	(25,253)
Other losses — net, included in results for the year	(13,385)	(20)	(13,405)
Depreciation and amortisation, included in results for the year	268	406	674
Capital expenditures	90	761	851
As at 31 December 2015			
Segment assets	158,139	12,029	170,168
Segment liabilities	1,316	1,410	2,726

Details of individual customers accounting for 10% or more of total revenue are as follows:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Customer A	4,584	4,268
Customer B	3,651	1,909
Customer C	3,501	1,495
Customer D	2,672	2,642

4 OTHER INCOME

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Interest income	355	282
Dividend income	3,471	543
Sundry income	309	341
	4,135	1,166

5 OTHER LOSSES, NET

Other (losses)/gains recognised during the year are as follows:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Financial assets at fair value through profit or loss:		
— unrealised fair value gains/(losses)	4	(12,683)
— realised losses on derecognition/disposal	(1,790)	(38)
Exchange gains/(losses), net	13	(76)
Loss on disposal of property, plant and equipment	(58)	(608)
	<u>(1,831)</u>	<u>(13,405)</u>

6 EXPENSES BY NATURE

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Auditors' remuneration		
— Audit services	791	774
— Non-audit services	155	—
	<u>946</u>	<u>774</u>
Cost of inventories sold	7,361	5,050
Depreciation of property, plant and equipment	549	674
Employee benefit expenses (including directors' emoluments)	8,212	7,825
Legal and professional fee	2,328	5,875
Marketing costs	68	71
Operating lease rentals in respect of properties	1,681	2,400
Provision for inventories	336	740
Research and development costs	56	71
Other expenses	2,999	3,693
	<u>24,536</u>	<u>27,173</u>

7 INCOME TAX

The Company is exempted from taxation in Bermuda. No provision for Hong Kong profits tax has been made as its subsidiaries in Hong Kong have no estimated assessable profits for the year. According to the relevant PRC tax regulations, Shanghai SyncMOS, being qualified as a New and High Technology Enterprise during the year ended 31 December 2016, is entitled to a preferential Corporate Income Tax ("CIT") rate of 15% (2015: preferential CIT rate of 15%). Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates prevailing in the countries in which the Group operates.

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Current income tax	—	—
Deferred income tax	99	(545)
	<u>99</u>	<u>(545)</u>

8 DIVIDEND

No dividends have been paid or proposed during the year ended 31 December 2016 nor has any dividend been proposed since the end of the reporting period (2015: Nil).

9 LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the consolidated loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2016	2015
Loss attributable to owners of the Company (HK\$'000)	<u>(4,994)</u>	<u>(25,253)</u>
Weighted average number of ordinary shares in issue (thousands)	<u>336,587</u>	<u>336,587</u>
	<i>HK cents</i>	<i>HK cents</i>
Basic loss per share	<u>(1.48)</u>	<u>(7.50)</u>

(b) Diluted

The Company does not have any potential dilutive ordinary shares.

10 AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
At 1 January	–	–
Additions	55,526	–
Fair value loss transferred to other comprehensive income	<u>(8,471)</u>	–
At 31 December	<u>47,055</u>	<u>–</u>
	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>

Available-for-sale financial assets include the following:

Listed investments

— Equity securities listed in the United States of America	<u>47,055</u>	<u>–</u>
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As at 31 December 2015, the Group owned 459,678 common shares of ChipMOS Technologies (Bermuda) Limited (“**ChipMOS Bermuda**”) representing 1.7% of issued share capital of ChipMOS Bermuda. The investment was classified as financial assets at fair value through profit or loss. On 31 October 2016, ChipMOS Bermuda completed the merger (the “**Merger**”) with ChipMOS Technologies Inc. (“**ChipMOS Taiwan**”). Upon completion of the Merger, the financial assets at fair value through profit or loss in relation to the Group’s interest in ChipMOS Bermuda has been derecognised and the Group received approximately US\$1.7 million in cash and 430,027 ChipMOS Taiwan American depository shares (“**ChipMOS Taiwan ADS**”) in exchange, whose fair value approximated HK\$55,526,000 on the same date. The Group classified its investment in ChipMOS Taiwan ADS as available-for-sale financial assets.

As at 31 December 2016, the Group's available-for-sale financial assets are denominated in US\$. The fair value of the listed investments are based on their current quoted market prices.

11 TRADE AND BILLS RECEIVABLES

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Trade receivables	2,285	737
Bills receivables	1,706	2,240
Less: allowance for impairment of receivables	—	—
Trade and bills receivables, net	<u>3,991</u>	<u>2,977</u>

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

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
1–30 days	383	344
31–90 days	1,755	268
Over 90 days	147	125
	<u>2,285</u>	<u>737</u>

The Group's credit terms to trade debtors range from 60 to 90 days.

As at 31 December 2016, bills receivables of HK\$1,706,000 (2015: HK\$2,240,000) will mature as follows:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
0–30 days	251	615
31–90 days	748	753
91–180 days	707	860
over 180 days	—	12
	<u>1,706</u>	<u>2,240</u>

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Listed securities — held-for-trading		
— The United States of America	—	70,541
— Hong Kong	718	715
	<u>718</u>	<u>71,256</u>

Changes in fair value of the financial assets at fair value through profit or loss are recorded in “Other losses, net” in the consolidated income statement in Note 5 of this Announcement.

The fair value of all equity securities is based on their current quoted market prices.

13 CASH AND CASH EQUIVALENTS

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
Cash at bank	5,744	4,758
Term deposits with original maturities of three months or less (<i>Note a</i>)	75,973	83,029
Cash on hand	9	4
	<hr/>	<hr/>
Cash and cash equivalents	81,726	87,791
	<hr/> <hr/>	<hr/> <hr/>

Note:

- (a) As at 31 December 2016, the effective interest rate on term deposits was 0.45% (2015: 0.67%).
- (b) As at 31 December 2016, funds of the Group denominated in Renminbi amounting to HK\$599,000 (2015: HK\$1,868,000) were kept in bank accounts opened with banks in the PRC where the remittance of funds is subject to foreign exchange controls.

14 TRADE PAYABLES

At 31 December 2016, the ageing analysis of trade payables based on invoice date is as follows:

	2016 <i>HK\$'000</i>	2015 <i>HK\$'000</i>
0–30 days	105	91
	<hr/> <hr/>	<hr/> <hr/>

RESULTS

The Board is pleased to report the results of the Group for the year ended 31 December 2016, together with the comparative figures for the year ended 31 December 2015.

For the year ended 31 December 2016, the Group achieved a turnover of approximately HK\$17.3 million, as compared to that of last year of approximately HK\$13.6 million. The loss attributable to owners of the Company amounted to approximately HK\$5.0 million, as compared to the loss of last year of approximately HK\$25.3 million.

DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31 December 2016 (2015: Nil).

BUSINESS REVIEW

Design and distribution of integrated circuit and semi-conductor parts

Our operation in Shanghai recorded a turnover of approximately HK\$17.3 million for the year ended 31 December 2016, as compared to approximately HK\$13.6 million for the year ended 31 December 2015. The gross profit margin of our operation in Shanghai was approximately 56% for the year ended 31 December 2016, which was similar to 2015 at approximately 57%. In 2016, the operation in Shanghai recorded a net profit of approximately HK\$1,059,000 (2015: approximately HK\$715,000), representing an increase of 48% as compared to that of last year. The increase in net profit was mainly due to net-off effect on (i) increase in revenue; and (ii) increase in operating costs due to inflation in the PRC.

Whilst economic development in China continues to slowdown, business growth has become increasingly challenging for our operation. Despite the difficult business climate, our management team in Shanghai recorded a respectable revenue growth of 27.3% in 2016. Nevertheless, the two main issues of our Shanghai operation are: scalability and diversification. We shall carry on our effort to improve the existing products over our competitors both in terms of performance as well as price. Meanwhile, we are diligently diversifying into other product lines in order to diversify our revenue source.

Investment holding

As at 31 December 2015, the Group held 459,678 common shares of ChipMOS Bermuda representing 1.7% of issued share capital of ChipMOS Bermuda. ChipMOS Bermuda was a company listed on the NASDAQ market with its company symbol "IMOS". On 31 October 2016 (United States time), ChipMOS Bermuda completed the Merger with ChipMOS Taiwan, a company incorporated in Taiwan and listed on the Taiwan Stock Exchange as "8150". ChipMOS Taiwan is a leading provider of semi-conductor testing and assembly services to customers in Taiwan, Japan and the United States of America. Upon completion of the Merger, the Group received approximately US\$1.7 million in cash and 430,027 ChipMOS Taiwan ADS in exchange.

As at 31 December 2016, the Group held 430,027 ChipMOS Taiwan ADS, which is listed on the NASDAQ Global Select Market (ticker symbol “IMOS”).

On 20 December 2016, ChipMOS Taiwan announced a cash dividend of approximately US\$1.027 per ChipMOS Taiwan ADS (net of the Taiwan withholding tax and depositary fees) payable on 27 December 2016 to all ChipMOS Taiwan ADS holders. The Company received approximately US\$442,000 (approximately HK\$3,425,000) cash dividend in total.

As at 31 December 2016, the quoted market price of ChipMOS Taiwan ADS was approximately US\$14.11 per ADS. Consequently, a fair value loss of approximately HK\$8.5 million was debited to investment reserve due to mark-to-market valuation of such ChipMOS Taiwan ADS held for the year under review.

The quoted market price of ChipMOS Taiwan ADS as at 21 March 2017 was approximately US\$16.59 per ADS.

FUTURE PLANS AND PROSPECTS

Facing economic uncertainties and cost inflation, the Group will continue with its prudent business approach. We will continue to enhance our existing business in the design and trading of integrated circuit products in China. In addition, we will continue to do our best to deploy our strengths and capabilities and to diversify and increase our top-line growth with the aim of improving the Group’s value in order to benefit our shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity and financial resources

During the year under review, the Company had no fund raising activities.

As at 31 December 2016, the cash and cash equivalents of the Group amounted to approximately HK\$81.7 million as compared to approximately HK\$87.8 million as at 31 December 2015, which included short-term bank deposits of approximately HK\$76.0 million (2015: approximately HK\$83.0 million).

For the year ended 31 December 2016, the Group recorded a net cash outflow of approximately HK\$6.1 million (2015: net cash inflow of approximately HK\$34.5 million).

Gearing ratio

The gearing ratio of the Group, defined as total liabilities expressed as a percentage of the total of equity and liabilities, was approximately 1.7% as at 31 December 2016 (2015: approximately 1.6%). The Group did not have any debt financing during the year, and no finance cost was incurred. As at 31 December 2016, the total liabilities of the Group were approximately HK\$2.6 million (2015: approximately HK\$2.7 million).

Foreign currency exposure

The Group's results were exposed to exchange fluctuations of Renminbi as the Group had operations in the PRC.

In 2016, a net exchange gains of approximately HK\$13,000 (2015: net exchange loss of approximately HK\$76,000) was recognised in the consolidated income statement. Exchange differences, arising upon translation of PRC operations, amounted to approximately HK\$748,000 was debited to the exchange reserve (2015: approximately HK\$570,000).

Capital structure

As at 31 December 2016, the Group had no bank borrowings (2015: Nil). As at 31 December 2016, the shareholders' fund amounted to approximately HK\$153.2 million (2015: approximately HK\$167.4 million).

Investments and capital assets

The Group acquired property, plant and equipment of approximately HK\$0.5 million for the year ended 31 December 2016 (2015: approximately HK\$0.9 million).

As at 31 December 2015, the Group held 459,678 common shares of ChipMOS Bermuda representing 1.7% of issued share capital of ChipMOS Bermuda. ChipMOS Bermuda was a company listed on the NASDAQ market with its company symbol "IMOS". On 31 October 2016 (United States time), ChipMOS Bermuda completed the Merger with ChipMOS Taiwan. Upon completion of the Merger, the Group received approximately US\$1.7 million in cash and 430,027 ChipMOS Taiwan ADS in exchange.

As at 31 December 2016, the Company held 430,027 ChipMOS Taiwan ADS and its quoted market price was US\$14.11 per ADS. On 21 March 2017, the quoted market price of ChipMOS Taiwan ADS was US\$16.59 per ADS.

As at 31 December 2016, the Group also held shares of a Hong Kong listed company amounted to approximately HK\$0.7 million (2015: approximately HK\$0.7 million).

Charges on assets

As at 31 December 2016, the Group had no charges on the Group's assets.

Material acquisitions and disposals of subsidiaries, associates and joint ventures

The Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures of the Company in the course of 2016.

Future plans for material investments or capital assets

There was no specific future plans for material investments or capital assets of the Company as at 31 December 2016.

Segment information

In 2016, the Hong Kong and PRC segments contributed mainly to the Group's business operation.

Employees, training and benefits

As at 31 December 2016, the Group had approximately 28 employees (2015: approximately 31 employees).

The remuneration packages of employees are reviewed annually with reference to market level and individual staff performance. The Group's remuneration packages include basic salaries, bonus, contributions to provident fund and medical benefits.

Contingent liabilities

No material contingent liabilities of the Group were noted as at 31 December 2016.

Public float

On 19 May 2015, the Company published an announcement disclosing, inter alia, receipt by the Company an application (the "**Application**") from Texan Management Limited ("**Texan**") for the issue of 4 replacement share certificates for the share certificates numbered 91064, 91065, 90986 and 90987 in respect of the 36,024,000 shares (representing 10.7% of the entire issued shares) in the Company (the "**Subject Shares**"). Since then, the Company published announcements dated 19 May 2015, 20 May 2015, 9 July 2015, 24 July 2015, 27 August 2015, 7 October 2015, 3 November 2015, 3 December 2015, 11 January 2016, 2 February 2016, 17 March 2016, 19 April 2016, 30 June 2016, 29 July 2016 and 16 November 2016 to update the development of the Application from time to time. As said in the foregoing announcements, the statutory and/or necessary requirements and procedures for issue of 4 replacement share certificates (the "**New Share Certificates**") for the share certificates numbered 91064, 91065, 90986 and 90987 (the "**Original Share Certificates**") in respect of the Subject Shares to Texan under the Application commenced on 17 March 2016 and as at 31 December 2016, are yet to be completed and thus the New Share Certificates are yet to be issued to Texan (details of which please refer to the announcement of the Company published on 16 November 2016).

The Board wishes to state that if Texan succeeds in obtaining the New Share Certificates, the Subject Shares would not qualify as "public float" under the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and thus less than 25% of the issued share capital of the Company would be held in public hands. The Company will consider various mechanisms as permitted under the Listing Rules to restore its public float. At the same time, the Board will continue to issue further regular update announcement to inform the Company's shareholders and potential investors as and when justified and appropriate under the Listing Rules and/or the Securities and Futures Ordinance.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the year ended 31 December 2016.

CORPORATE GOVERNANCE PRACTICES

The Board confirms that the Company has adopted and complied with all code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 to the Listing Rules during the year ended 31 December 2016 except for the following deviation:

Code provision A.4.1

This code provision stipulates that non-executive directors should be appointed for a specific term, subject to re-election.

The independent non-executive directors of the Company were not appointed for specific terms but are subject to retirement by rotation at least once every three years and re-election at the Company's annual general meeting in accordance with the bye-laws of the Company. At every annual general meeting of the Company, one-third of the Directors for the time being or, if their number is not three or a multiple of three, then the nearest but no less than one-third shall retire from office by rotation. Every Director should be subject to retirement by rotation at least once every three years.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules to regulate the directors' securities transactions. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code for the year ended 31 December 2016, and they have all confirmed their respective full compliance with the required standard set out in the Model Code.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2016 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers 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 PricewaterhouseCoopers on the preliminary announcement.

AUDIT COMMITTEE

The audit committee of the Company comprises solely independent non-executive directors, namely Mr. Suen Sai Wah Simon (Chairman), Mr. Li Kwan In and Mr. Wang Chiang-Ming. The Group's annual results for the year ended 31 December 2016 have been reviewed by the audit committee of the Company.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This announcement is published on the website of the Stock Exchange at <http://www.hkexnews.hk> and the Company's website at <http://pacray.com.hk>. The annual report for the year ended 31 December 2016 containing all the information as required by Disclosure of Financial Information as set out in Appendix 16 to the Listing Rules will be dispatched by the Company to its shareholders and published on the aforesaid websites of the Stock Exchange and the Company in due course.

By order of the Board of
PacRay International Holdings Limited
Cheng Chow-Chun
Chairman

Hong Kong, 22 March 2017

As at the date of this announcement, the Board of the Company comprises seven directors. The executive directors of the Company are Mr. Cheng Chow-Chun, Mr. Lee Chao-Chun, Mr. Sun Tao-Heng and Mr. Yuan Chun-Tang, and the independent non-executive directors of the Company are Mr. Suen Sai Wah Simon, Mr. Li Kwan In and Mr. Wang Chiang-Ming.