

IMMEDIATE RELEASE



JUN YANG FINANCIAL HOLDINGS LIMITED
君陽金融控股有限公司

Jun Yang Financial Announces 2015 Annual Results Financial Services Business and Solar Power Business Record Remarkable Growth

Revenue Increased 169% to HK\$171 Million
Net assets Doubled to HK\$3.58 Billion

(Hong Kong, [23] March 2016) **Jun Yang Financial Holdings Limited** (“Jun Yang Financial Holdings” or the “Group”, SEHK: 397) announced today its final results for the year ended 31 December 2015 (the “review period”).

- During the review period, the Group recorded revenue of approximately HK\$ 171,295,000 (2014: approximately HK\$63,701,000), representing an increase of 168.9% year-on-year. Gross profit amounted to approximately HK\$126,443,000 (2014: approximately HK\$34,271,000), increased 269% year-on-year. Loss attributable to owners of the Company amounted to approximately HK\$191,838,000 (2014: Profit attributable to owners of the Company at approximately HK\$255,398,000). The loss was due to the volatility in Asian financial market and was mainly attributable to the loss arising from change in fair value of held-for-trading investments and impairment loss of available-for-sale investments. A basic loss per share was HK\$2.19 cents during the period (2014: basic earnings per share at HK\$8.55 cents).
- The Group maintained a stable financial status. During the review period, The Group held cash and cash equivalents of approximately HK\$461,301,000 (2014: pledged bank deposits and cash and cash equivalents of approximately HK\$314,940,000). The Group held loan receivables of approximately HK\$410,632,000 (2014: approximately HK\$316,737,000) and held-for-trading investments of approximately HK\$1,726,923,000 (2014: approximately HK\$863,883,000) respectively. Net current assets amounted to approximately HK\$2,470,199,000 (2014: approximately HK\$1,328,183,000). Net assets amounted to approximately HK\$3,582,888,000 (2014: approximately

HK\$1,768,727,000), representing an increase of 103% year-on-year.

- The Group acquired Jun Yang Securities Company Limited (“Jun Yang Securities”) in October 2014 to develop financial services business, and has changed its name to “Jun Yang Financial Holdings Limited” to better reflect the future business direction and positioning of the Group. Leveraging on sufficient fund and backing by strong commitment of the Board, as well as supported by the favorable Government policies, the financial service segment has experienced rapid and solid growth throughout the year, actively seeking to expand its products from securities, bonds and funds to a more comprehensive product mix. During the review period, Jun Yang Securities has completed 36 fundraising transactions, raising a total amount of approximately HK\$4,152,000,000. The revenue of Jun Yang Securities rose 151 times to approximately HK\$104,581,000 (2014: approximately HK\$685,000), accounting for 61% of the Group’s total revenue, which was mainly attributable to increase of income from placing and underwriting business and interest income from margin financing. The license for corporate finance (type 6) and asset management (type 9) have been granted, enabling the Group to act as sponsor for listing applicant in an initial public offering, to advise listed companies on issues of acquisitions and mergers, and to engage in asset management business.
- In respect of solar power business, The Group’s four PV projects were all under stable operations leveraging on support from National Energy Administration and governmental policies. Among which the new 10-megawatt rooftop power station in Rongcheng, Shandong Province has commenced power generation, it generated electricity of 9.87 million kWh and electricity tariff has been collected. During the review period, the Group has generated about 40 million kWh electricity in total, increased 51% year-on-year. During the Year, three projects of a total capacity of 44.6-megawatt was approved by the government, among which Jining First Phase and Yantai projects have been constructed and connected to the Grid already. Jining second phase 28.6-megawatt rooftop project is under construction.
- During the Year, the money lending business segment achieved interest income of approximately HK\$26,462,000 (2014: approximately HK\$32,204,000), laying a solid capital foundation for the development of financial services business and enabling the Group to maintain a healthy cash flow. In respect of the asset investment business, the Group has recorded a loss attributable to owners of the Company for 2015. The loss was due to the

volatility in Asian financial market and was mainly attributable to the loss arising from change in fair value of held-for-trading investments and impairment loss of available-for-sale investments in the second half of 2015.

Mr. Kwok Sze Yiu, Chairman of Jun Yang Financial Holdings, stated: “2016 will be a year full of opportunities and challenges. The fundamentals of the Group’s financial business and distributed solar power generation business were still sound, and our management has been prudent in managing the Group’s business and risk exposure. In 2016, we will focus on the development and expansion of the financial services business to cover merger and acquisition, asset management, margin, IPO financing and bonds placing, etc. We intend to develop asset and portfolio management business, and we are also expanding our sales force to capture the business opportunities of upcoming Shenzhen–Hong Kong Stock Connect Program and RMB’s joining the benchmark SDR currency basket. Look ahead, Jun Yang Financial Holdings will reinforce its financial position and create more room for business growth, in order to ensure the financial sustainability of the Group.”

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About Jun Yang Financial Holdings Limited (SEHK: 397)

Jun Yang Financial Holdings Limited is mainly engaged in the business of financial services and investment, money lending, as well as investment in solar PV power generation.

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