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VIETNAM MANUFACTURING AND EXPORT PROCESSING (HOLDINGS) LIMITED

越南製造加工出口(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 422)

ANNOUNCEMENT

UNAUDITED RESULTS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER, 2014

Financial Highlights :

(expressed in US\$'million)

	Three months ended 30 September			Nine months ended 30 September		
	2014 (Unaudited)	2013 (Unaudited)	Change	2014 (Unaudited)	2013 (Unaudited)	Change
• Total revenue	46.0	38.9	+18%	134.4	127.9	+5%
• Gross profit	3.0	3.0	0%	9.2	10.3	-11%
• Net loss after tax	(2.5)	(3.1)	+20%	(7.7)	(7.4)	-3%

Vietnam Manufacturing and Export Processing (Holdings) Limited (the “Company”) hereby announce the unaudited consolidated results of the Company and its subsidiaries (the “Group”) for the third-quarter and nine months ended 30 September 2014 in line with its current practice to publish the Group’s financial results quarterly and pursuant to paragraph 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance.

By order of the Board

Vietnam Manufacturing and Export Processing (Holdings) Limited

Chou Ken Yuan

Chairman

Hong Kong, 29 October 2014

As at the date of this announcement, the board of directors of the Company (the “Directors”) comprised four executive Directors, namely Mr. Chou Ken Yuan, Mr. Chen Pang Hsiung, Mr. Yu Wen Lung and Mr. Lu Tien Fu, two non-executive Directors, namely Mr. Chang Yung Chieh and Mr. Chiu Ying Feng, and three independent non-executive Directors, namely Ms. Lin Ching Ching, Mr. Shen Hwa Rong and Ms. Wu Kwei Mei.

Unaudited Consolidated Statement of Profit or Loss
For the third-quarter and nine months ended 30 September, 2014

	Three months ended 30 September		Nine months ended 30 September	
	2014	2013	2014	2013
	US\$	US\$	US\$	US\$
Revenue	46,041,035	38,945,672	134,400,929	127,851,357
Cost of sales	<u>(43,005,642)</u>	<u>(35,918,384)</u>	<u>(125,228,937)</u>	<u>(117,540,978)</u>
Gross profit	<u>3,035,393</u>	<u>3,027,288</u>	<u>9,171,992</u>	<u>10,310,379</u>
Other income	99,982	83,693	308,819	239,165
Distribution expenses	(2,826,186)	(3,810,058)	(8,468,025)	(10,561,839)
Technology transfer fees	(1,071,537)	(863,046)	(3,174,145)	(2,724,941)
Administrative expenses	(3,014,716)	(2,780,738)	(9,380,065)	(8,945,671)
Other expenses	<u>(242)</u>	<u>(142)</u>	<u>(8,861)</u>	<u>(60,794)</u>
Results from operating activities	<u>(3,777,306)</u>	<u>(4,343,003)</u>	<u>(11,550,285)</u>	<u>(11,743,701)</u>
Finance income	1,535,907	1,321,616	4,447,403	5,376,717
Finance expenses	<u>(220,447)</u>	<u>170,861</u>	<u>(578,876)</u>	<u>(408,833)</u>
Net finance income	<u>1,315,460</u>	<u>1,492,477</u>	<u>3,868,527</u>	<u>4,967,884</u>
Share of profit/(loss) of an associate net of tax	<u>17,840</u>	<u>(8,829)</u>	<u>56,882</u>	<u>35,818</u>
Loss before taxation	<u>(2,444,006)</u>	<u>(2,859,355)</u>	<u>(7,624,876)</u>	<u>(6,739,999)</u>
Income tax	<u>(53,253)</u>	<u>(261,814)</u>	<u>(75,120)</u>	<u>(704,747)</u>
Loss for the period	<u>(2,497,259)</u>	<u>(3,121,169)</u>	<u>(7,699,996)</u>	<u>(7,444,746)</u>
Attributable to:				
Equity holders of the Company	<u>(2,497,259)</u>	<u>(3,121,169)</u>	<u>(7,699,996)</u>	<u>(7,444,746)</u>

Note: The Group's unaudited consolidated results for the third-quarter and nine months ended 30 September, 2014 have been approved for issue by the board of directors of the Company on 29 October 2014. The third-quarterly results have been prepared in accordance with all applicable International Financial Reporting Standards issued by the International Accounting Standards Board, and have also adopted the same accounting policies as disclosed in the last annual report for the year ended 31 December, 2013.

Unaudited Consolidated Statement of Financial Position
At 30 September 2014

	At 30 September	At 31 December
	2014	2013
	US\$	US\$
Non-current assets		
Property, plant and equipment	23,451,554	25,314,801
Intangible assets	254,240	370,887
Lease prepayments	5,471,212	6,047,579
Interest in an associate	678,817	622,018
Deferred tax assets	<u>886,387</u>	<u>838,615</u>
30,742,21033,193,900
Current assets		
Inventories	26,256,441	32,046,486
Trade receivables, other receivables and prepayments	35,632,798	27,695,187
Income tax recoverable	-	11,241
Investments	3,000,000	3,000,000
Derivatives	106,994	106,994
Pledged bank deposits	8,857,068	-
Time deposits maturing after three months	81,637,804	91,637,347
Cash and cash equivalents	<u>22,665,859</u>	<u>22,741,624</u>
178,156,964177,238,879
Total assets	<u><u>208,899,174</u></u>	<u><u>210,432,779</u></u>
Current liabilities		
Trade and other payables	32,231,099	26,432,795
Bank loans	23,193,130	21,313,260
Income tax payables	-	104,842
Provisions	<u>498,415</u>	<u>1,513,577</u>
55,922,64449,364,474
Net current assets	<u><u>122,234,320</u></u>	<u><u>127,874,405</u></u>
Net assets	<u><u>152,976,530</u></u>	<u><u>161,068,305</u></u>
Capital and reserves		
Share capital	1,162,872	1,162,872
Reserves	<u>151,813,658</u>	<u>159,905,433</u>
Total equity	<u><u>152,976,530</u></u>	<u><u>161,068,305</u></u>

Unaudited Condensed Consolidated Cashflow Statement
For the nine months ended 30 September, 2014

	Nine months ended 30 September	
	2014	2013
	US\$	US\$
Net cash used in operating activities	(15,067,791)	(26,063,831)
Net cash generated from/(used in) investing activities	4,998,557	(24,526,145)
Net cash generated from financing activities	<u>10,891,110</u>	<u>11,508,807</u>
Net increase/(decrease) in cash and cash equivalents	821,876	(39,081,169)
Cash and cash equivalents at beginning of period	22,741,624	54,885,605
Effect of foreign exchange rate changes	<u>(897,641)</u>	<u>(908,067)</u>
Cash and cash equivalents at end of period	<u><u>22,665,859</u></u>	<u><u>14,896,369</u></u>