

[For immediate release]



Rykadan Capital's Net Profit from Continuing Operations Rises in the 2013/14 Interim Period as it Continues Corporate Transformation

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Financial Highlights

<i>HK\$'000</i>	For the six-month period ended 30 September	
	2013	2012
Revenue	53,666	55,562
Gross profit	23,676	10,032
Profit (loss) from continuing operations	21,987	(22,368)
Basic earnings per share from continuing operations (<i>HK dollars</i>)	0.03	(0.04)
Interim dividends per share (<i>HK dollars</i>)	0.05	0.05
Special dividends per share (<i>HK dollars</i>)	-	0.35

	For the six month period / year ended	
	30 Sept 2013	31 March 2013
Net asset value per share (<i>HK dollars</i>)	2.25	2.12

Hong Kong, November 29, 2013 – Rykadan Capital Limited (“Rykadan Capital” or the “Company”, together with its subsidiaries, the “Group”; SEHK: 2288) today announced its unaudited interim results for the six-month period ended 30 September 2013.

Financial Performance

During the six-month period under review, the Group recorded consolidated revenue of HK\$53.7 million, down 3.4% compared to the same period of last year. Gross profit rose 136.0% to HK\$23.7 million due to higher margins.

After recording a revaluation surplus on investment property of HK\$39 million, net profit from continuing operations for the period rose to HK\$22 million. Excluding the revaluation surplus, the loss from continuing operations was narrowed from HK\$22 million for the period ended 30 September 2012 to HK\$17 million for the current

period due to better cost control. Basic earnings per share from continuing operations for the period ended 30 September 2013 was HK 3 cents.

The Board of Directors declared an interim dividend per share of HK 5 cents.

As of 30 September 2013, the Group remained in a strong financial position, with bank deposits and cash of HK\$165.7 million, or 7% of total assets. Net asset value per share rose 6% compared to the year ended 31 March 2013, from HK\$2.12 to HK\$2.25.

Investment highlights

As of 30 September 2013, the Group held a series of investments in hand, including:

- *Rykadan Capital Tower*: a 252,820 square feet commercial building currently near completion in Kwun Tong, an area set to become Hong Kong's second financial district.
- *Kwun Chung Street Property Project*: a planned mixed residential/commercial 25-storey tower with a total gross floor area of approximately 26,275 square feet in Kowloon's Jordan district
- *Kailong Nanhui Business Park*: a high potential 52,304 square metre business park in Shanghai, located near the newly created Shanghai Free Trade Zone.
- *Wing Lok Innovative Education Corporation*: an educational publication content provider, a pre-school learning centres service provider and developer of educational mobile applications for children
- *Kailong REI Project Investment Consulting (Hong Kong) Co. Limited*: a subsidiary of the Group and a leading player in China's real estate investment, asset management and fund management markets
- *Q-Stone Building Materials Limited*: a wholly owned subsidiary of the Group and the exclusive PRC distributor of Quarella, a world leader in the production of marble-based and quartz-based stone composite surfaces products, popularly used for benchtops, bathroom surfaces and floor tiles
- *Rykadan Hospitality Investments Pte Ltd.*: a wholly owned subsidiary of the Group based in Singapore, which invests in high potential hospitality and tourism related assets
- *Sundart Holdings Limited*: the Group's former fitting out business, in which it retains a 15% stake

With these investments, the Group aims to grow asset values, achieve stable yields and exit within a three to five year horizon.

Future Prospect

The Group remains optimistic about the prospects of its investments, despite slowing economic growth in China, some stagnation in Hong Kong's property market and the likely withdrawal of quantitative easing measures in the United States.

The Group continues to see ongoing value in the Hong Kong and PRC property markets, particularly in Shanghai, as well as strong growth potential in the hospitality sector. It will continue to explore high-potential investment opportunities in these areas, as well as in other sectors. The Group also expects to exit some of its mature investments in a timely manner to unlock value for shareholders.

Mr. William Chan, Chairman and CEO of Rykadan Capital Limited said, “Our expectations for the future of the Group remain undimmed. We will continue to leverage on the experience of our management team and focus on growing our relationships with key business partners, in order to support our future performance and deliver sustainable yields and reasonable capital gains to our shareholders.”

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About Rykadan Capital Limited

Rykadan Capital Limited is a Hong Kong-based investment holding company. It invests in a growing number of real estate and high-potential projects with a view to grow asset values and provide strong returns for shareholders. For more information, please visit www.rykadan.com.

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