

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the directors (the “Directors”) of Unlimited Creativity Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

HIGHLIGHTS

- Turnover for the nine months ended 31 December 2013 was approximately HK\$26.7 million (2012: HK\$36.8 million) representing a decrease of approximately 27.4%, as compared with the corresponding period in 2012.
- Loss attributable to owners of the Company for the nine months ended 31 December 2013 decreased from HK\$44.2 million last year same period to approximately HK\$2.7 million.
- The board of Directors (the “Board”) does not recommend the payment of a dividend for the nine months ended 31 December 2013.

THIRD QUARTERLY RESULTS

The Board of Directors (the “Board”) of the Company is pleased to present the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months and nine months ended 31 December 2013, together with the comparative figures for the corresponding period in 2012 as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	For the three months ended 31 December		For the nine months ended 31 December	
		2013 HK\$'000	2012 (Restated) HK\$'000	2013 HK\$'000	2012 (Restated) HK\$'000
Revenue	2	10,704	11,883	26,748	36,773
Cost of sales		(638)	(2,731)	(1,936)	(8,000)
Gross profit		10,066	9,152	24,812	28,773
Investment and other income	2	376	242	771	599
Other gain and losses, net	2	(1,901)	1,472	2,228	(55,326)
Servicing, selling and distribution costs		(471)	(2,545)	(2,810)	(6,487)
Administrative expenses		(6,190)	(7,352)	(16,544)	(18,747)
Cumulative (losses)/gains reclassified from equity to profit or loss upon disposal of available-for-sale investments		-	-	(10,388)	(104)
Other operating income/(expenses)		242	(1,744)	(271)	1,295
Operating (loss)/profit		2,122	(775)	(2,202)	(49,997)
Finance costs		(265)	(78)	(565)	(274)
Share of results of associates		(18)	-	71	-
(Loss)/Profit before income tax		1,839	(853)	(2,696)	(50,271)
Income tax credit	4	-	-	-	6,115
(Loss)/Profit for the period		1,839	(853)	(2,696)	(44,156)
Other comprehensive income:					
Changes in fair value of available- for-sale investments		778	(5,880)	(2,024)	(12,140)
Release of investment revaluation reserve upon disposal of available- for-sale investments		-	-	10,388	104
Other comprehensive (loss)/profit for the period		778	(5,880)	8,364	(12,036)
Total comprehensive (loss)/profit for the period		2,617	(6,733)	5,668	(56,192)

	Notes	For the three months ended 31 December		For the nine months ended 31 December	
		2013	2012 (Restated)	2013	2012 (Restated)
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
(Loss)/Profit attributable to:					
Owners of the Company		1,814	(948)	(2,626)	(43,985)
Non-controlling interests		25	95	(70)	(171)
		<u>1,839</u>	<u>(853)</u>	<u>(2,696)</u>	<u>(44,156)</u>
Total comprehensive (loss)/profit attributable to:					
Owners of the Company		2,592	(6,828)	5,738	(56,021)
Non-controlling interests		25	95	(70)	(171)
		<u>2,617</u>	<u>(6,733)</u>	<u>5,668</u>	<u>(56,192)</u>
(Loss)/Earnings per share attributable to owners of the Company					
Basic and diluted (2012: restated)	6	<u>HK1.56 cents</u>	<u>HK(1.36) cents</u>	<u>HK(2.26) cents</u>	<u>HK(62.91) cents</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM ACCOUNTS

1. Basis of preparation

The group's unaudited quarterly financial statements have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules. The amount included in the unaudited consolidated results are computed based on all Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards and Interpretation issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The accounting policies adopted in preparing the unaudited consolidated financial statement for the nine months ended 31 December 2013 are consistent with those followed in the annual report of the Company for the year ended 31 March 2013, except in relation on the new and revised standards, amendments and interpretations that affect the Company and its subsidiaries and are adopted for the first time for the preparing of current period's financial statement.

The condensed consolidated accounts have not been audited by Company's auditors but have been reviewed by the Company's audit committee.

The Group has not early adopted the following new and revised HKFRSs that have been issued but are not yet effective:

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009-2011 Cycle ¹
HKFRS 1 (Amendments)	Government Loans ¹
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities ¹
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosures ³
HKFRS 9	Financial Instruments ³
HKFRS 10	Consolidated Financial Statements ¹
HKFRS 11	Joint Arrangements ¹
HKFRS 12	Disclosure of Interests in Other Entities ¹
HKFRS 13	Fair Value Measurement ¹
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance ¹
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities ²
HKAS 19 (as revised in 2011)	Employee Benefits ¹
HKAS 27 (as revised in 2011)	Separate Financial Statements ¹
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures ¹
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities ²
HKAS 36 (Amendments)	Recoverable Amount Disclosures for Non-Financial Assets ²
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine ¹
HK(IFRIC) – Int 21	Levies ²

¹ Effective for annual periods beginning on or after 1 January 2013.

² Effective for annual periods beginning on or after 1 January 2014.

³ Effective for annual periods beginning on or after 1 January 2015.

1. Basis of preparation (Continued)

HKAS 1 (Amendments) "Presentation of Items of Other Comprehensive Income"

The amendments to HKAS 1 introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income and an income statement is renamed as a statement of profit or loss. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis. The amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments have been applied retrospectively and have the presentation of items of other comprehensive income has been modified to reflect the changes.

The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its result of operations and financial position.

2. Revenue and Other Revenue and Other (Losses)/Gains – Net

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below:

Sales of goods are recognised upon transfer of the significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods.

Provision of beauty and clinical services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Revenue arising from money lending is recognised on a time proportion basis taking into account the principal outstanding and the effective interest rate applicable.

Rental income is recognised on a straight-line basis over the term of the lease.

Interest income is recognised on a time-proportion basis using the effective interest method.

Dividend is recognised when the right to receive payment is established.

Corporate bonds coupon is accrued on a time basis, by reference to the notional amount at the annual coupon rate.

2. Revenue and Other Revenue and Other (Losses)/Gains – Net (Continued)

Change in fair value of financial assets at fair value through profit or loss is based on the current market price (mark-to-market).

	For the three months ended 31 December		For the nine months ended 31 December	
	2013 (Unaudited) HK\$'000	2012 (Unaudited and restated) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited and restated) HK\$'000
Revenue				
Beauty services and sale of beauty products	-	2,394	-	5,846
Clinical services	-	4,478	-	14,459
Money lending	9,535	4,446	23,266	15,206
Rental income from investment properties	200	125	570	375
Retails service income	969	440	2,912	887
	<u>10,704</u>	<u>11,883</u>	<u>26,748</u>	<u>36,773</u>

Other revenue and other (losses)/gains, plus unallocated income – net

Dividend income from listed investments	2	2	61	63
Fair value (losses)/gains on financial assets at fair value through profit or loss	(244)	1,472	3,885	(55,326)
Loss on disposal of Financial assets through Profit or Loss	(1,657)	-	(1,657)	-
Corporate Bonds Coupon	31	151	162	441
Banks interest income	1	-	19	1
Handling income from consignment sales	4	1	20	3
Others	338	88	509	91
	<u>(1,525)</u>	<u>1,714</u>	<u>2,999</u>	<u>(54,727)</u>

3. Segment Information

The Group determines its operating segments based on the reports reviewed by the chief executive directors and the management staff that are used to make strategic decisions.

An analysis of the Group's revenue from external customers by geographical segments for the period is as follows:

Revenue from external customers by geographical markets:

	For the three months ended 31 December		For the nine months ended 31 December	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Hong Kong	10,704	8,571	26,748	27,572
Macau	-	3,312	-	9,201
	<u>10,704</u>	<u>11,883</u>	<u>26,748</u>	<u>36,773</u>

4. Income (tax credit)/expenses

	For the three months ended 31 December		For the nine months ended 31 December	
	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000	2013 (Unaudited) HK\$'000	2012 (Unaudited) HK\$'000
Current tax				
Hong Kong				
- Charge for the period	-	-	-	-
- Under provision in prior years	-	-	-	494
Deferred tax				
- Current period	-	-	-	-
- Over provision* in prior years	-	-	-	(6,609)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,609)</u>
Income tax credit	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,115)</u>

* Amendment to HKAS 12 has been applied in 2012.

5. Dividend

The directors do not recommend the payment of a dividend for the nine months ended 31 December 2013 (2012: HK\$Nil).

6. Earnings/(loss) per share

The calculation of basic and diluted earnings/(loss) per share attributable to owners of the Company is based on the following data:

	Nine months ended 31 December	
	2013 HK\$'000	2012 HK\$'000
Earnings/(loss) for the period attributable to owners of the Company	<u>(2,626)</u>	<u>(43,985)</u>
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>116,084</u>	<u>70,031</u>

Both the weighted average number of ordinary shares for the purposes of calculating basic and diluted earnings/(loss) per share for the period ended 31 December 2013 and 2012 have been adjusted.

Diluted earnings/(loss) per share for the period ended 31 December 2013 and 2012 were the same as the basic earnings/(loss) per share. The Company's outstanding share options were not included in the calculation of diluted earnings/(loss) per share because the effects of the exercise of the Company's outstanding share options were anti-dilutive.

7. Unaudited Condensed Consolidated Statement of Changes in Equity
For the nine months ended 31 December 2013

	Attributable to the owners of the company											
	Share capital	Share premium	Capital redemption reserve	Accumulated losses	Capital reserves	Investment revaluation reserve	Revaluation reserve	Share option reserve	Contributed surplus	Total	Non-controlling interests	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 April 2012	6,991	212,968	278	(180,474)	28,280	(148)	14,040	732	181,291	263,958	1,304	265,262
Comprehensive income												
Loss for the year	-	-	-	(43,985)	-	-	-	-	-	(43,985)	(171)	(44,156)
Other comprehensive income												
Changes in fair value of available-for-sale financial assets	-	-	-	-	-	(12,140)	-	-	-	(12,140)	-	(12,140)
Release of investment revaluation reserve upon disposal of available-for-sale financial assets	-	-	-	-	-	104	-	-	-	104	-	104
Total comprehensive loss	-	-	-	(43,985)	-	(12,036)	-	-	-	(56,021)	(171)	(56,192)
Acquisition/disposal of part of interest from/to non-controlling interests	-	-	-	498	-	-	-	-	-	498	(498)	-
Balance at 31 December 2012	6,991	212,968	278	(233,961)	28,280	(12,184)	14,040	732	181,291	208,435	635	209,070
Balance at 1 April 2013	20,975	198,800	278	(193,397)	28,546	(14,396)	-	732	181,291	222,829	981	223,810
Comprehensive income												
Loss for the year	-	-	-	(2,626)	-	-	-	-	-	(2,626)	(70)	(2,696)
Other comprehensive income												
Changes in fair value of available-for-sale financial assets	-	-	-	-	-	(2,024)	-	-	-	(2,024)	-	(2,024)
Release of investment revaluation reserve upon disposal of available-for-sale financial assets	-	-	-	-	-	10,388	-	-	-	10,388	-	10,388
Total comprehensive loss	-	-	-	(2,626)	-	8,364	-	-	-	5,738	(70)	5,668
Share Consolidation	(19,927)	19,927	-	-	-	-	-	-	-	-	-	-
Transaction cost of share consolidation	-	(249)	-	-	-	-	-	-	-	(249)	-	(249)
Issue of share	210	4,215	-	-	-	-	-	-	-	4,425	-	4,425
Balance at 31 December 2013	1,258	222,693	278	(196,023)	28,546	(6,032)	-	732	181,291	232,743	911	233,654

8. Share Option Schemes

On 24 September 2001, the shareholders of the Company approved a share option scheme (the "Scheme") under which its board of directors may, at its discretion, offer full-time or part time employees and executive, non-executive and independent non-executive directors of the Company and/or any of its subsidiaries, options to subscribe for shares in the Company. The maximum number of shares in respect of which options may be granted under the Scheme shall not exceed 30% of the issued share capital of the Company. The subscription price will be determined by the Company's board of directors and will be the highest of (i) the nominal value of the shares, (ii) the quoted closing price of the Company's shares on the date of offer of the options, and (iii) the average of the quoted closing prices of the Company's shares on the five trading days immediately preceding the date of offer of the options.

On 4 January 2011, the shareholders of the Company approved to terminate the Scheme and adopted a new share option scheme ("the New Scheme") under which its Board of Directors may, at its discretion, offer full-time or part time employees and executive, non-executive and independent non-executive directors of the Company and/or any of its subsidiaries, suppliers, customers, advisors or consultants options to subscribe for shares of the Company. The maximum number of shares which may be allotted and issued upon exercise of all outstanding options granted and yet to be exercised under the New Scheme and any other share option scheme adopted by the Group shall not exceed 30 per cent. of the share capital of the Company in issue from time to time. The subscription price will be determined by the Company's Board of Directors and will be the highest of (i) the nominal value of the shares, (ii) the quoted closing price of the Company's shares on the date of offer of the options, and (iii) the average of the quoted closing prices of the Company's shares on the five trading days immediately preceding the date of offer of the options.

The New Scheme is valid for ten years from the date of adoption.

All share-based employee compensation will be settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options.

Share options and respective exercise prices are as follows for the reporting period presented:

Type of grantee	At 1 April 2013	Adjustments for share consolidation	Adjustments for rights issue	At 31 December 2013	Date of grant	Exercise period of the share options	Exercise price per share ^a HK\$
Eligible person							
- In aggregate	1,020,000	- (969,000)	-	51,000	15 Feb 2011	15/2/2011 - 14/2/2014	4.232
Employees							
- In aggregate	4,007,142	- (3,806,785)	-	200,357	23 Feb 2011	23/2/2011 - 22/2/2014	3.832
	<u>5,027,142</u>	<u>- (4,775,785)</u>	<u>-</u>	<u>251,357</u>			

* These reflect the adjusted exercise prices and number of share options which have been granted and are outstanding after the completion of the share consolidation of every twenty existing share into one consolidated share on 17 June, 2013.

The fair values of options granted were determined using the Black-Scholes valuation model.

For the period ended 31 December 2013, no employee compensation expense has been include in the consolidated statement of comprehensive income (2013: Nil).

No liabilities were recognised due to share-based payment transactions.

9. Comparative Figures

Certain comparative figures have been re-stated to conform with the current period presentation to align with the financial statements presentation of the Group.

10. Contingent Liabilities

As at the close of business on 31 December 2013, the Company provided a corporate guarantee up to a maximum amount of HK\$25 million to a bank for general banking facilities granted to an indirect wholly owned subsidiary of the Group. As at 31 December 2013, no facilities had been utilised as the pledge had been disposal in January 2013 and the relevant bank facility is in the process to be withdrawn by the bank. Moreover, the investment property of Thailand (HK) Plastic Surgery Service Limited had been pledged to a bank in favour of its wholly owned subsidiary for a bank guarantee up to a maximum amount of HK\$700,000. As at 31 December 2013, an amount of HK\$678,600 had been utilised as a security deposit for a 3-year lease agreement for an office premises (2012: HK\$678,600).

On 9 October 2012, a Tenancy Agreement was jointly entered into between Wit Way, as landlord and Top Euro Limited, an indirect wholly-owned subsidiary of the Company and Mark Glory International Enterprise Limited, an indirect wholly-owned subsidiary of China 3D Digital Entertainment Limited, both as tenants, in relation to the lease of the Premises. The duration of the Tenancy Agreement is for three years commencing from 1 November 2012 to 31 October 2015 with a monthly rental of HK\$220,000 inclusive of management charges (equivalent to HK\$2,640,000 per annum), but exclusive of government rates and all other outgoings. The rent, government rates and all outgoings of the Premises shall be paid by the Tenants in equal shares.

If either party fails to fulfill their leasing obligations under the agreement, the other party will obligate to pay the other's party outstanding Contingent Rental Liability amounting to HK\$1,320,000 per annum. The taking up of the Contingent Rental Liability constitutes a provision of financial assistance under the GEM Listing Rules.

11. Events after the Reporting Period

Open Offer on the Base of Four Offer Shares for One Share Held

On 22 November 2013, the Company has raised approximately HK\$50.33 million, before deduction of the relevant expenses, by issuing 503,358,524 Offer Shares at a price of HK\$0.10 per Offer Share to the Qualifying Shareholders by way of Open Offer on the basis of four (4) Offer Shares for every one (1) Share held on the 21 January 2014 and payable in full on acceptance.

At the SGM held on 13 January 2014, all the resolutions approving the Open Offer, the Underwriting Agreement and the Whitewash Waiver were duly passed by the Independent Shareholders by way of poll at the SGM in accordance with the requirements of the Takeovers Code and the GEM Listing Rules.

The Open Offer has been completed on 14 February 2014, details of the Open Offer are set out in the circular dated 27 December 2013 and the results of the Open Offer is set out in the announcement dated 13 February 2014.

Pledge of Shares

the Open Offer as mentioned above, was fully underwritten by Able Rich Consultants Limited ("Able Rich") and Kingston Securities Limited ("Kingston Securities"), given priority to the former company of 77% and the latter of 23% of the total number of underwritten shares in accordance with the terms and conditions in the underwriting agreement.

Able Rich is an associate of Mr. Shiu Yeuk Yuen ("Mr. Shiu") who is an existing shareholder, executive Director and the chairman of the group. Kingston Securities, as one of the underwriters, has provided a loan facility of HK\$15 million for Able Rich to finance the untaken shares under the open offer.

Up to the reporting date, all the 256,430,325 shares currently owned by Able Rich and Mr. Shiu has been pledged to Kingston Securities which represent approximately 40.76% of the existing issued share capital of the company. Pursuant to the terms and conditions of such pledged arrangements, in the event of default by Able Rich, Kingston Securities will be entitled to enforce the pledged securities which may be result in a transfer of voting rights in respect of such pledged securities.

MANAGEMENT DISCUSSION AND ANALYSIS

Operation Review

Turnover for the nine months year ended 31 December 2013 was approximately HK\$26.7 million, representing a decrease of approximately 27.4% when compared with the same period last year. Loss attributable to owners of the Company for the nine months ended 31 December 2013 and the corresponding period in 2012 was approximately HK\$2.7 million and HK\$44.2 million respectively.

Property Investment

The rental income generated from industrial properties acquired last financial year continued providing steady income to the Group. The turnover of this business segment for the financial year was approximately HK\$0.6 million, being 52% increase from 2012.

The Group has two investment properties, comprising a residential unit in Diamond Hill and an industrial property in Chai Wan respectively. The two properties were held for long-term investment purposes and have been generating a very steady income stream to the Group since acquisition. Forward looking, in view of the land supply continues to be scarce in Hong Kong, the Company continues to be optimistic about the property market in Hong Kong and believes that this business segment will continue to provide revenue and benefits in the long-term to the Group and the Shareholders as a whole.

Securities and bonds Investment

In view of the volatility of the global economic environment, driven by the European sovereign debt crises and the economic downturn in the United States continues in the financial year, the Company will take more conservative step to invest in securities and bonds investment. The Company will also continue to closely monitor the relevant risk and control. Focus will be placed on corporate bonds with good credit rating. The investments will be held for short-to-medium term trading purpose. It is intended that the securities investments will provide the Group with a reasonable interest and/or dividend yield as well as capital appreciation. In the financial period under review, an amount of approximately HK\$10.3 million has recorded as loss from equity to profit or loss upon disposal of available for sale financial assets. Up to the reporting date, the strategic holding of 77,881,758 ordinary shares have been owned by the company, being 11.6% interest in China 3D.

Money Lending

After actively participating in money lending business for more than two years, a solid client base has been built. In the financial year, turnover for this segment under review was approximately HK\$23.3 million, representing 53% increased when compared with the corresponding period in 2012. A satisfactory profit was also brought from this segment.

Retail Business

The Group's current retail office in Taikoo was opened in January 2013 for the purpose of catering on-line sales and its on-line shopping service in Hong Kong are for the sales of grocery products (including frozen seafood, personal care products, stationery, electrical appliances and etc.) to the public.

Turnover for this segment in the financial period under review was approximately HK\$2.9 million, being 228% increased from 2012. We will continue to monitor the operation and develop new market in order to increase the turnover and market share.

Outlook

Open offer on the basis of four offer shares for one share held

On 22 November 2013, the Company has raised approximately HK\$50.33 million, before deduction of the relevant expenses, by issuing 503,358,524 Offer Shares at a price of HK\$0.10 per Offer Share to the Qualifying Shareholders by way of Open Offer on the basis of four (4) Offer Shares for every one (1) Share held on the 21 January 2014 and payable in full on acceptance.

As the money lending business has shown satisfactory turnover and profit to the Group, the Company intends to expand its money lending business. In order to further expand the money lending business by increasing the amount of loans and advances to customers to generate more loan interests and at the same time to maintain a reasonable cash and bank balance for the healthy operation of the Company, additional financial resources is necessary for the Company so as not to limit the further expansion of the money lending business. The Board considers that the Open Offer represents an opportunity for the Company to develop its money lending business and enhance its working capital. Moreover, the Board is of the view that it is in the interests of the Company and its Shareholders as a whole to raise the capital through the Open Offer since it would allow the Qualifying Shareholders to maintain their respective pro rata shareholdings in the Company and participate in the future growth and development of the Company.

The net proceeds from the Open Offer are expected to be approximately HK\$48.3 million, which will be used (i) as to approximately HK\$38.7 million for expanding its money lending business; and (ii) the remaining of approximately HK\$9.6 million for general working capital and/or for the development of the Group's business. The usage of the general working capital includes the administrative expenses in a total of approximately HK\$2 million per month.

The Open Offer has been completed on 14 February 2014, details of the Open Offer are set out in the circular dated 27 December 2013 and the results of the Open Offer is set out in the announcement dated 13 February 2014.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATIONS

As at 31 December 2013, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of part XV of the SFO), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors to be notified to the Company and the Stock Exchange were as follows:

Name	Personal Interests	Family Interests	Other Interests	Total	Approximate percentage to the issued share capital of the Company as at
					31 December 2013
Mr. Shiu Yeuk Yuen (note 1)	7,796,200	16 (note 2)	127,140 (note 3)	7,923,356	6.3%
Mr. Leung Ge On, Andy (note 1)	63,000	-	-	63,000	0.05%

Notes:

1. Mr. Shiu Yeuk Yuen and Mr. Leung Ge On, Andy are the Executive Directors of the Company.
2. 16 shares are held by Ms. Hau Lai Mei, the spouse of Mr. Shiu Yeuk Yuen.
3. 127,140 shares are held by Heavenly Blaze Limited. Heavenly Blaze Limited is beneficially owned as to (i) 46% by Mr. Shiu Stephen Junior, son of Mr. Shiu Yeuk Yuen (being the executive Director); (ii) 34% by Mr. Shiu Yeuk Yuen and Ms. Siu York Chee (sister of Mr. Shiu Yeuk Yuen) together hold on behalf of Ms. Shiu Yo Yo and Ms. Shiu Sound Sound, daughters of Mr. Shiu Yeuk Yuen; (iii) 16% by Ms. Shiu Ting Yan, Denise, daughter of Mr. Shiu Yeuk Yuen; (iv) 1% by Mr. Cheng Jut Si; and (v) 3% by Able Rich Consultants Limited. For information only, Able Rich held the 3% equity interest in Heavenly Blaze Limited since 9 September 2013, which was transferred by One Dollar Productions Limited, an indirect wholly-owned subsidiary of China 3D to Able Rich.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

So far as known to the Directors, as at 31 December 2013, the Directors were not aware of any other person (other than the Directors and chief executive of the Company as disclosed above) who had an interests or short position in the shares or underlying shares or debentures of the Company which would fall to be disclosed under Divisions 2 and 3 of Part XV of the SFO, or who was interested in 10% or more of the nominal value of any class of share capital, or options in respect of such capital, carrying rights to vote in all circumstances at general meetings of the Company.

PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the nine months ended 31 December 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

COMPETING INTEREST

None of the Directors or the controlling shareholders (as defined in the GEM Listing Rules) of the Company has an interest in a business, which competes or may compete with the business of the Group.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 (the "Required Standard of Dealings") of the GEM Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Required Standard of Dealings throughout the period ended 31 December 2013.

As of the date of this report, the Board of Directors of the Company comprises Executive Directors who are Mr. Shiu Yeuk Yuen and Mr. Leung Ge On, Andy; and Independent Non-executive Directors who are Mr. Siu Yim Kwan, Sidney, Mr. Tsui Pui Hung and Mr. Kam Tik Lun.

COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES

Throughout the period of the nine months ended 31 December 2013, the Company has complied with the code provisions ("Code Provisions") set out in the Code on Corporate Governance Practices contained in Appendix 15 to the GEM Listing Rules, except for the following deviation of Code Provision A.2.1 and E.1.3.

Code Provision A.2.1 provides that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The positions of Chairman of the Board and Chief Executive Officer (“CEO”) of the Company are both currently carried on by the same person. The Board considers that this structure does not undermine the balance of power and authority between the Board and the management. The Board members have considerable experience and qualities which they bring to the Company and there is a balanced composition of executive Directors and non-executive Directors (including independent non-executive Directors). Given the composition of the Board, the Board believes that it is able to ensure that the balance of power between the Board and the management is not impaired. The Board believes that having the same person performing the roles of both Chairman and CEO does provide the Group with strong and consistent leadership and that, operating in this manner allows for more effective and efficient overall strategic planning of the Group.

Code provision E.1.3 provides that notice to be sent to shareholders for other general meeting except for annual general meetings should be sent at least 10 clear business days in advance, however, in the circular for the open offer on the basis of four offer shares for one share issued on 27 December 2013, the group has referenced to its bye-laws in Bermuda instead.

COMPLIANCE ADVISER

The Board appointed Proton Capital Limited to be its Compliance adviser (“Compliance Adviser”) for a term from 3 September 2013 to 31 August 2014 (both days inclusive).

As updated and notified by the Compliance Adviser, none of the Compliance Adviser, or its directors, employees or associates (as defined under the GEM Listing Rules) had any interest in the share capital of the Company or any member of the Group (including options or rights to subscribe for such securities) as at 31 December 2013 pursuant to Rule 6A.32 of the GEM Listing Rules.

On 29 January 2014, Fortune Financial Capital Limited has been appointed as the Group’s compliance adviser to 31 August 2014. Whereas Proton Capital Limited had terminated its services due to recent changes in its personnel.

AUDIT COMMITTEE

The Company established an Audit Committee with written terms of reference in compliance with the GEM Listing Rules. The primary duties of the Audit Committee are to review the Company’s annual report and financial statements, half-yearly report and quarterly reports and to provide advice and comment thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the financial reporting process and internal control procedures of the Group.

REVIEW OF QUARTER RESULTS

The unaudited consolidated results of the Group for the Nine-month Period have not been audited nor reviewed by the Company's auditor, HLB Hodgson Impey Cheng, but have been reviewed by the Audit Committee of the Company, who is of the opinion that the preparation of such results has complied with the applicable accounting standards and requirements and that adequate disclosures have been made. As at the date hereof, the Audit Committee comprises the three Independent Non-executive Directors of the Company, namely Mr. Kam Tik Lun, chairman of the Audit Committee, Mr. Siu Yim Kwan, Sidney and Mr. Tsui Pui Hung.

REMUNERATION COMMITTEE

A remuneration committee (the "Remuneration Committee"), consisting of three Independent Non-executive Directors and two Executive Directors, was set up by the Company in accordance with the Code. The Remuneration Committee is responsible for reviewing and developing the remuneration policies of the Directors and senior management, having regard to the Group's operating results, individual performance and comparable market practices.

NOMINATION COMMITTEE

A nomination committee (the "Nomination Committee") consisting of three Independent Non-executive Directors and two Executive Directors was set up by the Company in accordance with the Code. The Nomination Committee is responsible for reviewing and making recommendations to the Board regarding any proposed changes, selection of directorships.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings set out in Rules 5.48 to 5.67 (the "Required Standard of Dealings") of the GEM Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Required Standard of Dealings throughout the nine months ended 31 December 2013.

The Company also has established written guidelines on no less exacting terms than the Required Standard of Dealings (the "Employees Written Guidelines") for securities transactions by employees who are likely to be in possession of any unpublished inside information of the Company.

CONTINUING CONNECTED TRANSACTIONS

ON 9 October 2012, a Tenancy Agreement was jointly entered into between Wit Way, as landlord and Top Euro, an indirect wholly-owned subsidiary of Unlimited Creativity and Mark Glory, an indirect wholly-owned subsidiary of China 3D, both as tenants, in relation to the lease of the Premises. The term of the Tenancy Agreement is for three years commencing from 1 November 2012 to 31 October 2015, both days inclusive, with a monthly rental of HK\$220,000 inclusive of management charges (equivalent to HK\$2,640,000 per annum), but exclusive of government rates and all other outgoings. The rent, government rates and all outgoings of the Premises shall be paid by the Tenants in equal shares.

Unlimited Creativity is a substantial shareholder of China 3D and interested in approximately 11.6% of the issued share capital of China 3D up to 31 December 2013. Accordingly, Unlimited Creativity and China 3D are regarded as connected person of each other under the GEM Listing Rules. Therefore, the Tenancy Agreement (including the Contingent Rental Liability, being a provision of financial assistance) constitutes continuing connected transactions for each of Unlimited Creativity and China 3D under Rule 20.11(1) and 20.13(2) of the GEM Listing Rules.

The applicable percentage ratio (as defined in the GEM Listing Rules) on an annual basis for the Tenancy Agreement (including the Contingent Rental Liability, being a provision of financial assistance) for each of Unlimited Creativity and China 3D exceed 5% but are less than 25% and the annual caps under the Tenancy Agreement are less than HK\$10,000,000. Accordingly, pursuant to Rule 20.34 of the GEM Listing Rules, the Tenancy Agreement (including the Contingent Rental Liability, being a provision of financial assistance) is subject to reporting and announcement requirements but exempted from independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Auditor's letter on continuing connected transactions

Pursuant to Rule 20.38 of the GEM Listing Rules, the Board has engaged the auditor of the Company to report the disclosed continuing connected transactions of the Group for the Year ("Disclosed CCTs") in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's letter on continuing connected transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants and the auditor has reported to the Directors and concluded that the Disclosed CCTs:

- (1) have received the approval of the Board of the Company;
- (2) are entered into, in all material respects, in accordance with the pricing policies of the Company if the transactions involve provision of goods or services by the Group;

- (3) have been entered into, in all material respects, in accordance with the terms of the relevant agreements governing such transactions; and
- (4) have not exceeded the maximum aggregate annual value for the Year disclosed in previous announcements made by the Company in respect of each of the Disclosed CCTs.

Confirmation of Independent Non-executive Directors

The Independent Non-executive Directors have reviewed the continuing connected transactions and the report of the auditor and have confirmed that the transactions have been entered into by the Group in the ordinary and usual course of its business, on normal commercial terms, and in accordance with the terms of the agreements governing such transactions that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

There being no contracts of significance to which the Company, or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

LIST OF DIRECTORS

Mr. Shiu Yeuk Yuen	-	Executive Director
Mr. Leung Ge On Andy	-	Executive Director
Dr. Siu Yim Kwan, Sidney	-	Independent Non-executive Director
Mr. Tsui Pui Hung	-	Independent Non-executive Director
Mr. Kam Tik Lun	-	Independent Non-executive Director

On behalf of the Board
Unlimited Creativity Holdings Limited
Shiu Yeuk Yuen
Chairman

Hong Kong, 13 February 2014