



CHINLINK INTERNATIONAL HOLDINGS LIMITED
(Stock code: 0997.HK)

Announces Annual Results 2012/13
Transforming into an Integrated Finance and Logistics Services Provider

Financial Highlights

<i>For the year ended 31 March</i>	2013 <i>HK\$ million</i>	2012 <i>HK\$ million</i>	Change
Continuing operations			
Revenue	161.4	173.2	-6.8%
Cost of sales and services	(135.3)	(119.0)	+13.7%
Gross profit	26.1	54.1	-51.8%
(Loss) profit for the year from continuing operations	(22.4)	8.1	+ to -
Discontinued operations			
Profit for the year from discontinued operations	--	9.7	--
(Loss) profit for year	(22.4)	17.8	+ to -
(Loss) earnings per share (HK cents)			
From continuing and discontinued operations	(1.4)	1.14 <i>(restated)</i>	+ to -
From continuing operations	(1.4)	0.51 <i>(restated)</i>	+ to -

[25 June 2013 – Hong Kong] **Chinlink International Holdings Limited** (“Chinlink” or the “Company”, stock code: 0997.HK) announces the annual results of the Company and its subsidiaries (collectively, the “Group”) for the year ended 31 March 2013 (the “Year”).

For the Year, the Group’s audited consolidated revenue decreased by 6.8% to HK\$161.4 million (2012: HK\$173.1 million); whilst gross profit decreased by 51.8% to HK\$26.1 million (2012: HK\$54.1 million). Loss from continuing operations for the Year was HK\$22.4 million (2012: profit of HK\$8.1 million), representing a decrease of HK\$30.5 million. The decrease was mainly due to: 1) the decline in the gross profit of both interior decoration work and the trading of furniture and fixtures and 2)

significant increase in finance costs and consultancy fees to support the Group's new business development in finance and logistics services.

Subsequent to the organisational and business restructuring completed in January 2012, Chinlink is currently transforming itself into an integrated finance and logistics services provider in the People's Republic of China (the "PRC"). To implement this corporate strategy and to differentiate from existing operators of traditional logistics centres, the Group has executed the following strategic initiatives for its new business development:

1. Collaborating with three major building materials distribution centres in Xi'an City to secure a solid client base of over 8,000 tenants, mostly SMEs and the Group's logistics management and consulting services, e-commerce platform, financing solutions will be progressively available to the tenants;
2. Developing a self-owned logistics park in Hanzhong City, Shaanxi Province, with features such as product marketplace, warehouses, other logistics supporting facilities

In May 2013, the Group has made further progress on the finance and logistics services business by entering into a strategic agreement with Hong Kong Logistics Technology Systems Limited ("LTS") to develop a logistics IT system platform for the distribution centres and logistics parks operated by the Group in the cities of Xi'an and Hanzhong. Further, in June 2013, the Group was granted an official approval from financial affairs office of Shaanxi Province to establish a wholly-foreign owned enterprise with a registered capital and total investment of US\$30 million and US\$90 million respectively, to engage in financing guarantee services in Shaanxi Province.

Mr. Li Weibin, Chairman of the Group, comments: "Having the logistics IT platform and the WFOE financing guarantee enterprise operation license ready in the second half of 2013, the Group will soon begin the integrated finance and logistics services for the 8,000 tenants of the building materials distribution centres in Xi'an City. For our self-owned logistics park in Hangzhong City, the acquisition of the land for the first phase is scheduled to be completed in the second half of 2013. It is expected that stable and recurring cash flow from rental and logistics services from tenants and income from property sales will be used to fuel the Group's continuous development of the logistic park in Hanzhong. The Group is now well-prepared to pursue the vision of being an integrated finance and logistics services provider in China."

Looking ahead, the management will rigorously assess the challenges and opportunities that may arise in the new business venture, and continue to refine the new business model in order to build a sustainable business and create long term value for our shareholders.

About Chinlink International Holdings Limited

Chinlink International Holdings Limited is currently engaged in the provision of interior decoration work, including interior design and renovation services, and the trading of furniture and fixtures in Hong Kong and Macau. The Group is also expanding into financial and logistics services and the provision of related value-added services

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This press release is issued by DLK Advisory on behalf of **Chinlink International Holdings Limited**.

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