



Y. L. NGAN & COMPANY
CERTIFIED PUBLIC ACCOUNTANTS
顏裕龍會計師事務所

**HONG KONG HEAVY TRADE
COMPANY LIMITED
REPORTS AND FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2014
TO 31 MAY 2014**

CONTENTS	PAGES
REPORT OF THE DIRECTOR	1 - 2
INDEPENDENT AUDITOR'S REPORT	3 - 4
INCOME STATEMENT	5
BALANCE SHEET	6
ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS	7 - 10

HONG KONG HEAVY TRADE COMPANY LIMITED
REPORT OF THE DIRECTOR

The director presents herewith his report and the audited financial statements for the period from 1 January 2014 to 31 May 2014.

PRINCIPAL ACTIVITY

The company is dormant during the period.

STATE OF THE COMPANY'S AFFAIRS

The state of the company's affairs as at 31 May 2014 is set out in the balance sheet on page 6.

Pursuant to section 141D of the Hong Kong Companies Ordinance, the shareholder of the company has agreed that the financial statements for the period from 1 January 2014 to 31 May 2014 are to comply with section 141D and provisions of the Eleventh Schedule of the Hong Kong Companies Ordinance.

DIVIDEND AND RESERVES

The director does not recommend the payment of dividend for the period.

Loss for the period from 1 January 2014 to 31 May 2014 was HK\$7,576,883 (2013: HK\$18,937). Movements in changes in equity of the company are shown in note 9 to the financial statements.

DIRECTOR

The director who held office during the period and up to the date of this report was:

JIN Jun

In accordance with the company's Articles of Association of the company, the present director, except permanent director if any is appointed, shall retire from office and, being eligible, offer himself for re-election.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the company were entered into or existed during the period.

HONG KONG HEAVY TRADE COMPANY LIMITED
REPORT OF THE DIRECTOR
(CONTINUED)

DIRECTOR'S INTERESTS IN CONTRACTS

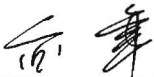
No contracts of significance in relation to the company's business to which the company was a party and in which a director of the company had a material interest, whether directly or indirectly, subsisted at the end of the period or at any time during the period.

DIRECTOR'S RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the period was the company a party to any arrangement to enable the director of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

AUDITORS

The financial statements have been audited by Messrs. Y. L. Ngan & Company, Certified Public Accountants, who retire and being eligible, offer themselves for re-appointment.



Sole Director
Hong Kong, 13 June 2014



INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF
HONG KONG HEAVY TRADE COMPANY LIMITED
(INCORPORATED IN HONG KONG WITH LIMITED LIABILITY)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Hong Kong Heavy Trade Company Limited set out on pages 5 to 10 which comprise the balance sheet as at 31 May 2014, and the income statement for the period then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTOR'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The director is responsible for the preparation of financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In addition, section 141D of the Hong Kong Companies Ordinance requires that the balance sheet together with the notes thereon should be prepared in accordance with the requirements of the Eleventh Schedule to that Ordinance.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141D of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of the report.

We conducted our audit in accordance with Hong Kong Standards on Auditing and with reference to PN 900 (Clarified) "Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard" issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the director, as well as evaluating the overall presentation of the financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF
HONG KONG HEAVY TRADE COMPANY LIMITED
(INCORPORATED IN HONG KONG WITH LIMITED LIABILITY)
(CONTINUED)

AUDITOR'S RESPONSIBILITY (CONTINUED)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

BASIS FOR QUALIFIED OPINION

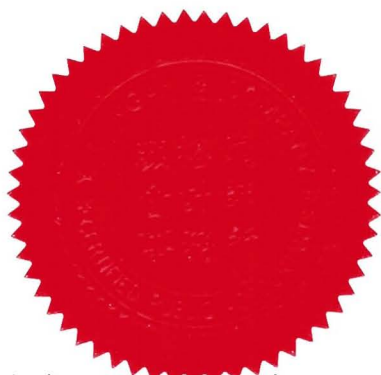
No bank confirmation has been received from bank up to the date of this report. There were no other audit procedures that we could adopt to confirm all bank balance, bank loan and contingent liabilities.

QUALIFIED OPINION

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements of the company for the period from 1 January 2014 to 31 May 2014 are prepared, in all material respects, in accordance with the SME-FRS, and the balance sheet together with the notes thereon is properly drawn up so as to exhibit a true and correct view of the state of the company's affairs as at 31 May 2014 according to the best of our information and explanations given to us, and as shown by the books of the company.

REPORT ON OTHER MATTERS UNDER SECTION 141D OF THE HONG KONG COMPANIES ORDINANCE

Except for the matters stated in the basis for qualified opinion paragraph, we report that we have obtained all the information and explanations which we have required.



Y. L. Ngan & Company
Certified Public Accountants (Practising)
Hong Kong, 13 June 2014

HONG KONG HEAVY TRADE COMPANY LIMITED
INCOME STATEMENT
FOR THE PERIOD FROM 1 JANUARY 2014
TO 31 MAY 2014

	<u>Note</u>	01.01.2014 to 31.05.2014 HK\$	01.01.2013 to 31.12.2013 HK\$
TURNOVER	3	-	-
OTHER INCOME	3	1	2
ADMINISTRATIVE EXPENSES		(7,576,875)	(18,933)
FINANCE COSTS	4	(9)	(6)
LOSS BEFORE TAXATION	5	<u>(7,576,883)</u>	<u>(18,937)</u>
INCOME TAX	6	-	-
LOSS FOR THE PERIOD / YEAR		<u><u>(7,576,883)</u></u>	<u><u>(18,937)</u></u>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

HONG KONG HEAVY TRADE COMPANY LIMITED
BALANCE SHEET
AS AT 31 MAY 2014

	<u>Note</u>	<u>31.05.2014</u> HK\$	<u>31.12.2013</u> HK\$
CURRENT ASSETS			
Amount due from a shareholder	10	-	7,569,211
Cash and bank balances		49,265	61,577
		49,265	7,630,788
CURRENT LIABILITIES			
Accrued expenses		(6,650)	(11,290)
NET ASSETS			
		42,615	7,619,498
EQUITY			
Share capital	8	7,730,000	7,730,000
Accumulated losses		(7,687,385)	(110,502)
		42,615	7,619,498

Approved and authorised for issue by the sole director on 13 June 2014



 Sole Director

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

HONG KONG HEAVY TRADE COMPANY LIMITED
ACCOUNTING POLICIES AND EXPLANATORY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2014
TO 31 MAY 2014

1. GENERAL INFORMATION

Hong Kong Heavy Trade Company Limited is a company incorporated in Hong Kong with limited liability. The company's registered office is located at Suite 1019, 10/F., Chinachem Golden Plaza, 77 Mody Road, Tsimshatsui East, Kowloon, Hong Kong. The company is dormant during the period.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The company qualifies under the Hong Kong Companies Ordinance to prepare and present its financial statements in accordance with section 141D of that Ordinance. The company's shareholder has unanimously agreed in writing to apply section 141D with respect to the company's financial statements for the period from 1 January 2014 to 31 May 2014.

These financial statements comply with the Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). They have been prepared under the historical cost convention, the accrual basis of accounting and on the basis that the company is a going concern.

The following are the significant accounting policies that are necessary for a proper understanding of the financial statements:

a) REVENUE RECOGNITION

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following base:

Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

b) INCOME TAX

Income tax represents current tax expense. The income tax payable represents the amounts expected to be paid to the taxation authority, using the tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is not provided.

HONG KONG HEAVY TRADE COMPANY LIMITED
ACCOUNTING POLICIES AND EXPLANATORY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2014
TO 31 MAY 2014

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

c) PROVISION

Provision is recognised when the company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but when the reimbursement is virtually certain.

d) FOREIGN EXCHANGE

Foreign currency transactions are translated at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into Hong Kong Dollars using exchange rates applicable at the balance sheet date. Gains and losses on foreign exchange are recognised in the income statement.

e) RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related if the company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities and include entities which are under the significant influence of related parties of the company where those parties are individuals, and post-employment benefit plans which are for the benefit of employees of the company or of any entity that is a related party of the company.

f) IMPAIRMENT OF ASSETS

An assessment is made at each balance sheet date to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment, intangible assets and long-term investments. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the income statement. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of depreciation), had no impairment losses been recognised for the asset in prior years.

HONG KONG HEAVY TRADE COMPANY LIMITED
ACCOUNTING POLICIES AND EXPLANATORY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2014
TO 31 MAY 2014

3. TURNOVER AND OTHER INCOME

An analysis of the company's turnover and other income is as follows:

	01.01.2014 to 31.05.2014 HK\$	01.01.2013 to 31.12.2013 HK\$
Turnover	-	-
Other income		
Bank interest received	1	2
Total revenue	1	2
	1	2

4. FINANCE COSTS

	01.01.2014 to 31.05.2014 HK\$	01.01.2013 to 31.12.2013 HK\$
Bank overdraft interest	9	6
	9	6

5. LOSS BEFORE TAXATION

Loss before taxation is arrived at:

	01.01.2014 to 31.05.2014 HK\$	01.01.2013 to 31.12.2013 HK\$
After crediting the following item:		
Bank interest received	1	2
And after charging the following items:		
Auditors' remuneration	6,000	10,000
Bank overdraft interest	9	6
	6,009	10,006

6. INCOME TAX

No Hong Kong profits tax has been provided as the company has no assessable profits for the period.

HONG KONG HEAVY TRADE COMPANY LIMITED
ACCOUNTING POLICIES AND EXPLANATORY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2014
TO 31 MAY 2014

7. DIRECTOR'S REMUNERATION

Director's remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

	01.01.2014 to 31.05.2014 HK\$	01.01.2013 to 31.12.2013 HK\$
Fees	-	-
Other emoluments	-	-
Contributions to defined contribution plan	-	-
	-----	-----
	-	-
	=====	=====

8. SHARE CAPITAL

	31.05.2014 HK\$	31.12.2013 HK\$
Authorised :		
1,000,000 ordinary shares at US\$1.00 each	7,730,000	7,730,000
	-----	-----
Issued and fully paid :		
1,000,000 ordinary shares at US\$1.00 each	7,730,000	7,730,000
	-----	-----

There was no movement in the issued share capital of the company for the period from 1 January 2014 to 31 May 2014.

9. CHANGES IN EQUITY

	Share <u>capital</u> HK\$	Accumulated <u>losses</u> HK\$	<u>Total</u> HK\$
Total equity as at 31 December 2013	7,730,000	(110,502)	7,619,498
Loss for the period	-	(7,576,883)	(7,576,883)
	-----	-----	-----
Total equity as at 31 May 2014	7,730,000	(7,687,385)	42,615
	=====	=====	=====

10. AMOUNT DUE FROM A SHAREHOLDER

The amount due from a shareholder is unsecured, interest-free and repayable on demand.