



ArtGo Holdings Announces 2014 Annual Results

Enjoys successful turnaround during the period, Business sees rapid growth, Swings to net profit of RMB102.3 million

- The Group's revenue for the year ended 31 December 2014 amounted to approximately RMB344.3 million (2013: approximately RMB139.8 million), representing an increase of around 1.46 times. The Group's net profit for the year was approximately RMB102.3 million (2013: net loss of approximately RMB0.4 million), representing a successful turnaround during the period.
- During the Review Period, standard cut-to-size slabs contributed considerable revenue to the Group, its revenue reached RMB235 million, accounted for 68.2% of total product sales, significantly improving by 6.33 times versus RMB24 million in 2013.
- In 2015, except the Group's past large corporate clients, the Group will launch the new brand "ArtMore" and produce a wide range of products such as standard cut-to-size slabs, bathroom and household products and etc. The standardized products will help ArtGo's products be widely used in China, this is the Group's new strategy.

Financial Highlights

For the Year ended 31 December 2014	2014 (RMB'000)	2013 (RMB'000)	Change
Revenue	344,339	139,775	+146.4%
Gross profit	216,828	83,178	+160.7%
Profit/(Loss) before tax	144,217	12,318	+1,070.8%
Profit/(Loss) and total comprehensive income/(Loss) attributable to owners of Company for the period	102,332	(402)	N/A
Basic earnings per share	8.00	(0.04)	N/A

(18 March 2015, Hong Kong) **ArtGo Holdings Limited** (“ArtGo Holdings,” the “Company,” together with its subsidiaries, the “Group”) (stock code: 3313.HK) is pleased to announce the annual results for the year ended 31 December 2014 (“2014” or “ Review Period”).

With its outstanding business performance, the Group achieved remarkable results in 2014. During the Review Period, the Group’s revenue surged 146.4% to approximately RMB344.3 million, while the gross profit recorded a significant increase of approximately 1.61 times to RMB217.0 million. The gross profit margin of the Group increased significantly to 63.0% in the Review Period, mainly benefiting from the combined effects of the improved quality of the Group’s products, the decrease of product’s cost per unit and the increasing proportion of standard cut-to-size slabs with higher gross profit margin. The Group succeeded in swining to a new profit during the Review Period, with a net profit of approximately RMB102.3 million.

In February 2013, the Group started large-scale commercial production in the Yongfeng Mine in Yongfeng County, Jiangxi Province of China. In 2014, the Group extracted a total of 44,094 cubic meters of marble blocks from the Yongfeng Mine. The Group have developed two operating mining areas in the Yongfeng Mine, namely North #1 and North #4 mining areas. There are eight benches (31 December 2013: seven benches) in North #1 mining areas and six benches (31 December 2013: two benches) in North #4 mining areas. With the further development of the Yongfeng Mine and a good foundation by ArtGo in the mines, the Group is very confident about prospects at the mine.

The Group’s products are mainly divided into three types: marble blocks, one-side polished slabs and standard cut-to-size slabs. The yield of the Group’s main products remained stable increase during the Review Period. The production of standard cut-to-size slabs was 576,286 square metres, and its sales reached RMB235 million, accounted for 68.2% of total product sales, significantly improved by 6.33 times compared to 2013. The increase of the sales of standard cut-to-size slabs was due to the Group’s remarkable achievements in its direct sales. Average selling price of standard cut-to-size slabs increased 31.9%. The Group’s marble are comparable with international well-known products. Therefore, the Group’s product price enjoys a big upward potential and is expected to increase in the future.

In the Review Period, the Group further expanded its distribution network. The number of distributors increased to 100, covering 87 cities across 29 provinces and autonomous regions in the People’s Republic of China (the “PRC” or “China”). In addition, with the increase of ArtGo’s brand effect -- compared with RMB84 million revenue form direct sales in 2013, the revenue reached

nearly RMB300 million in 2014, representing a growth of 2.5 times.

Looking forward, **Mr. Liu Chuanjia, Chairman of ArtGo Holdings** said: “With substantial resources of quality marble and extensive experience in the industry, the Group will consolidate the upstream and downstream marble industry chain. In 2015, new brand “ArtMore” will target high-end consumers with a series of standardized products. ArtMore will provide a wide range of products including standard cut-to-size slabs, asymmetric slabs, tailor-made bathroom products and furniture as well as one-stop interior solutions. The company will operate with a brand-oriented model with its marble resources as a backup to the business. We will also integrate global resources to build a benchmark company and lead industry change.”

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About ArtGo Holdings Limited (Stock code: 3313.HK)

ArtGo Holdings Limited (“ArtGo”) is a full industrial-chain enterprise of marble specializes in mining, international production, automated production, product research and development, customized high-end housing and overall space decoration. ArtGo’s marble distribution network in China consists of 100 distributors and covers 87 cities across 29 provinces and municipalities. The product line of “ArtGo” covers marble slabs, standard cut-to-size slabs and handicrafts of marble. The product line of “ArtMore” covers marble artworks, bathroom products and tailor-made marble furnitures. At present, ArtGo owns the largest white-grey marble quarry in China. The company’s second largest shareholder is Carlyle Group, one of the largest investment institutions in the world.