

Press Release

**VST Announces 2016 Interim Results
Strategic Development Marching on for
"Technology Products + Financing + Internet Value-added Services"**

- In 1H 2016, revenue grew by 6.3%
- **Business development:** successfully became the China distributor or partner of a series of innovative lifestyle technology products, including GoPro HD cameras, Garmin sports watches, Amazon Kindle e-readers and HTC VIVE series VR products
- **Strategic development:** established Internet Business Department and Strategic Investment Department to initiate internet B2B projects and strategic investment. Expanded into sectors with fast growing potential such as supply chain financing, consumer spending upgrades and health care
- **Corporate image enhancement:** changed company logo in February 2016 to enhance brand awareness

Financial Highlights

For the six months ended 30 June (Unaudited)	2016 (HKD million)	2015 (HKD million)	Change
Revenue	22,366	21,041	+6.3%
Gross profit	958	853	+12.3%
Operating profit	407	398	+2.3%
Net profit attributable to equity shareholders of the Company	265	287	-7.5%
Basic earnings per share (HK cents)	18.22	18.80	-3.1%

(Hong Kong, 23 August 2016) VST Holdings Limited (“**VST ECS**”, “**VST Holdings**” or “**the Company**”, HKSE stock code: 00856.HK), the largest supply chain services platform of technology product solutions in the Asia Pacific, today is pleased to announce its unaudited interim results for the six months ended 30 June 2016 (“the period”).

For the six months ended 30 June 2016, the Group’s unaudited consolidated turnover grew 6.3% to approximately HK\$22,366,428,000 (2015: approximately HK\$21,040,930,000), while gross profit rose 12.3% to HK\$958,235,000. Unaudited consolidated net profit attributable to equity shareholders amounted to approximately HK\$265,168,000. The basic earnings per share for the six months ended 30 June 2016 amounted to approximately HK18.22 cents per share.

During the period under review, revenue from the distribution business amounted to approximately HK\$14,962,043,000 (2015: approximately HK\$14,595,376,000). Revenue from the enterprise systems business amounted to approximately HK\$7,294,926,000 (2015: approximately HK\$6,341,347,000) and from the IT services business was approximately HK\$109,459,000 (2015: approximately HK\$104,207,000).

During the first half of 2016, the Group delivered notable achievement in its development strategy, corporate image and business development. The Group will be focusing on “Delivering Quality of Life to Corporate and Consumer Clients” and providing online and offline channels in order to establish an integrated platform of “Technology Products + Financing + Internet Value-added Services”. Aligned with its strategic development, the Group officially changed the company logo in February 2016 to enhance its corporate image.

During the period, the Group expanded its innovative lifestyle technology product lines, including GoPro HD cameras, Garmin sports watches, Amazon Kindle e-readers, HTC VIVE series VR products and Innoio portable projectors. FiberHome is one of the Group’s new well-known partners.

During the current period, the Group carried out strategic investment into potential fast growing sectors such as consumer spending upgrades and health care. In March 2016, the Group invested US\$30 million in aircraft leasing projects.



Furthermore, in order to strengthen corporate governance, the Group appointed Mr. Li Yue and Mr. Yao Jie as Executive Directors of the Company, and Mr. Hung Wai Man and Mr. Wang Xiaolong as Independent Non-Executive Directors of the Company. The four new members of the Board have extensive experience in areas of sales management, capital market investment, financing, brand building, Internet business as well as cultivating government relationships with a sound reputation and network resources. We believe the Board with its new members will direct the Company to further enhance the level of corporate governance and provide solid support for the Company's strategic development of "technology products + financing + internet value-added services" and thus, usher the Company's business into a new era.

Mr. Li Jialin, Chairman of the Board and Chief Executive Officer of VST ECS, said: "The Group demonstrates its competitiveness as we maintain a steady growth amid challenging market conditions. In light of higher consumption levels and the resultant increasing demand for technology products, the Group is devoted to developing diversified and innovative technology product lines in order to achieve higher customer satisfaction. In the meantime, the Group will continue to enhance the market share of its enterprise business, sustaining its position as the largest supply chain services platform of technology product solutions in the Asia Pacific. Regarding our new business development, we are expecting the performance will be reflected in the second half of the year. We believe the Group will achieve notable improvement in both business size and profitability in the future."

—End—

About VST Holdings Limited (Hong Kong Stock Code: 00856)

Established in 1991, VST Holdings Limited ("VST ECS", HKSE: 00856.HK) is the largest supply chain services platform of information technology and communication product solutions in the Asia Pacific. VST ECS' CAGR for revenue and profit growth since listing in 2002 were 39% and 34% respectively. In 2015, it achieved a sales breakthrough of HK\$ 45 billion. VST ECS diversifies its business into three major business segments: Product distribution & supply chain services, enterprise-level systems and IT value-added services. VST ECS' diversified products portfolio spanning into 6 fields, including cloud computing, mobile internet, system equipment, software, information security, as well as computers, computer accessories and peripherals. Recently, VST ECS is also establishing its presence in supply chain financing services. VST ECS has over 140 world-renowned upstream strategic partners and over 35,000 downstream channel partners. VST ECS currently has 81 offices in nine countries, namely China, Thailand, Malaysia, Singapore, Indonesia, Cambodia, Myanmar, Laos and the Philippines. For more information, please visit the Company's website: www.vst.com.hk.

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