



SUNBRIDGE GROUP LIMITED

ACN 163 886 020

Level 31, 120 Collins Street

Melbourne, Victoria 3000

Appendix – Statement of Financial Position and Consolidated Pro Forma Statement of Financial Position as at 31 May 2013

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Date - 22 November 2013

Section 1 - Statement of Financial Position and Consolidated Pro Forma Statement of Financial Position as at 31 May 2013

The following Statement of Financial Position and Consolidated Pro Forma Statement of Financial Position as at 31 May 2013 has been prepared to illustrate the effects of the pro forma adjustments (including the actual subscription) which are set out below and in **Section 2** as if they had occurred on or before 31 May 2013.

Sunbridge Group Limited
ACN 163 886 020

STATEMENT OF FINANCIAL POSITION AND CONSOLIDATED PRO FORMA STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2013

	Note	Sunbridge ⁽¹⁾	Audited Mega Rich ⁽²⁾	Reviewed Actual Subscription
		\$'000	\$'000	\$'000
CURRENT ASSETS				
Cash and cash equivalents	1	-	8,633	11,924
Trade and other receivables		-	14,757	14,757
Inventory	2	-	1,287	3,006
Security deposits to suppliers		-	282	282
TOTAL CURRENT ASSETS		-	24,959	29,969
NON CURRENT ASSETS				
Property, plant and equipment		-	3,724	3,724
Intangible assets		-	328	328
TOTAL NON CURRENT ASSETS		-	4,052	4,052
TOTAL ASSETS		-	29,011	34,021
CURRENT LIABILITIES				
Trade and other payables	3	-	2,084	3,803
Short-term borrowings	4	-	6,165	6,525
Current tax liabilities		-	1,175	1,175
TOTAL CURRENT LIABILITIES		-	9,424	11,503
TOTAL LIABILITIES		-	9,424	11,503
NET ASSETS		-	19,587	22,518
SHAREHOLDERS EQUITY				
Issued capital	5	-	6,981	10,899
Foreign currency translation reserve		-	(475)	(475)
Reserves		-	5,607	5,607
Retained earnings	6	-	7,474	6,487
TOTAL SHAREHOLDERS EQUITY		-	19,587	22,518

(1) Sunbridge Group Limited was registered on the 22nd of May 2013 with 1 share. Amount of capital paid was AUD\$1.00.

(2) Audited Mega Rich ('Mega Rich') International Creation Limited financial information has been extracted from the audited financial statements of Mega Rich for the year ended 31 December 2012 for the purposes of the preparation of the pro forma consolidated statement of financial position as at 31 May 2013 to provide potential shareholders with a view of the Group's financial position. Financial transactions of Mega Rich from January 2013 to May 2013 have not been included in the pro forma consolidated statement of financial position as at 31 May 2013.

Section 2 - Pro forma transactions

The following transactions and events contemplated in this Appendix, referred to as the Pro forma Adjustments, which are to take place on or before the completion of the Actual Subscription are presented as if they together with the Actual Subscription had occurred on or before 31 May 2013:

1. Pursuant to a Share Transfer Agreement dated 28 June 2013 the Company has issued 449,999,999 Ordinary Shares to the existing shareholders of Mega Rich International Creation Limited as purchase consideration for 100% of the share capital of that entity (**Common Control Transaction**).
2. The issue of 21,738,000 fully paid ordinary shares at \$0.20 each amounting to \$4,347,600 (**Actual Subscription**), referred to as the **Actual Subscription**; and
3. Expenses associated with the Actual Subscription (including advisory, legal, accounting and administrative fees as well as printing, advertising and other expenses), estimated to be \$1.42 million (**Actual Subscription**).
4. Movement in bank loans and Bank acceptance commercial bills from the 31 December 2012 to 18 November 2013. Bank loans (**Loans**) and Bank acceptance commercial bills (**Notes**) outstanding as at 18 November 2013 are AUD\$6,525,000 (RMB37,500,000) and AUD\$2,114,100 (RMB12,150,000) respectively.

The pro forma transactions should be read in conjunction with the annual report of Mega Rich International Creation Limited for the year ended 31 December 2012, correspondence sent to the Australian Securities Exchange dated 18 November 2013 by the Company in relation to Bank loans and Bank Acceptance Commercial Bills and the replacement prospectus and supplementary prospectus issued by the Company.

Note 1 – Cash and Cash Equivalents

The Pro Forma cash and cash equivalents balances are set out below:

	Pro Forma Actual Subscription \$'000
Cash and cash equivalent at 31 May 2013 - Sunbridge	-
<i>Pro forma transactions:</i>	
Cash and cash equivalent recognised as a consequence of a common control transaction	8,633
Proceeds from share issued under the Actual Subscription	4,348
Payment of the cash Actual Subscription costs	(1,417)
Repayment of loans outstanding at 31 December 2012 in Mega Rich	(6,165)
Cash received from new Loans outstanding as at 18 November 2013	6,525
Transfer of guarantee deposits for Notes	-
Pro forma cash and cash equivalents	11,924

Note 2 – Inventory

The Pro Forma inventory balances are set out below:

	Pro Forma Actual Subscription \$'000
Inventory equivalent at 31 May 2013 – Sunbridge	-
<i>Pro forma transactions:</i>	
Inventory recognised as a consequence of a common control transaction	1,287
Purchase of inventory using Notes	1,719
Pro forma inventory	3,006

Note 3 – Trade and other payables

The Pro Forma trade and other payables balances are set out below:

	Pro Forma Actual Subscription \$'000
Trade and other payables equivalent at 31 May 2013 – Sunbridge	-
<i>Pro forma transactions:</i>	
Trade and other payables recognised as a consequence of a common control transaction	2,084
Repayment of trade creditors using Notes	(395)
Notes drawn down by the Company	2,114
Pro forma trade and other payables	3,803

Note 4 – Short-term borrowings

The Pro Forma short-term borrowings balances are set out below:

	Pro Forma Actual Subscription \$'000
Short-term borrowings equivalent at 31 May 2013 – Sunbridge	-
<i>Pro forma transactions:</i>	
Short-term borrowings recognised as a consequence of a common control transaction	6,165
Repayment of loans outstanding at 31 December 2012 in Mega Rich	(6,165)
New loans outstanding as 18 November 2013	6,525
Pro forma short-term borrowings	6,525

Note 5 – Issued Capital

The Pro Forma issued capital balance is set out below:

	Pro Forma Actual Subscription \$'000
Issued capital at 31 May 2013 - Sunbridge	-
Pro forma transactions:	
Issue of 449,999,999 Ordinary Shares to the existing shareholders of Mega Rich and equity adjustments resulting from the common control transaction	6,981
Proceeds from share issued under the Actual Subscription	4,348
Actual Subscription costs allowable to be offset against equity (net of tax)	(430)
Pro forma issued capital	10,899
	Pro Forma Actual Subscription no. of shares
Number of shares on issue at 31 May 2013	1
Pro forma transactions:	
Issue of Ordinary Shares for the acquisition of Mega Rich	449,999,999
Shares issued under the Actual Subscription	21,738,000
Pro forma number of shares issued	471,738,000

Note 6 – Retained Earnings

The Pro Forma retained earnings is reconciled as follows:

	Pro Forma Actual Subscription \$'000
Retained earnings at 31 May 2013 - Sunbridge	-
Pro forma transactions:	
Amounts recognised as a consequence of a common control transaction	7,474
Issue costs expensed under the Actual Subscription	(987)
Pro forma retained earnings	6,487