



Incorporated in the Cayman Islands on 14 July 2005
2005 年 7 月 14 日注册于开曼群岛

**Full Year Financial Statement for the Year Ended
31 December 2019 ("4Q FY2019")
2019 年度财务报表公告**

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 and Q3), HALF-YEAR AND FULL YEAR RESULTS.

第一部 - 公告季度 (1, 2 和 3)、半年和全年所需信息

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement as at the end of the immediately preceding financial year.
(集团)的利润表连同上一财年的对比报表**

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2019
2019 年度未审计年度合并利润表**

	Group 集团					
	3 months ended 截止3个月		+ / (-)	12 months ended 截止12个月		+ / (-)
	31 Dec 2019 RMB'000	31 Dec 2018 RMB'000		1 Jan-31 Dec 2019 RMB'000	1 Jan-31 Dec 2018 RMB'000	
Revenue 销售	6,052	4,876	24%	14,402	29,845	-52%
Cost of sales 销售成本	(14,614)	(10,333)	41%	(29,856)	(46,363)	-36%
Gross loss 毛亏	(8,562)	(5,457)	57%	(15,454)	(16,518)	-6%
Other operating income 其他运营收入	851	1,001	-15%	1,632	1,466	11%
Selling and distribution expenses 营销费用	(2,049)	(2,413)	-15%	(4,946)	(6,662)	-26%
Administrative expenses 行政费用	(2,261)	(21,108)	-89%	(32,629)	(42,897)	-24%
Other operating expenses 其他运营费用	(1,214)	(1,186)	2%	(1,214)	(1,186)	2%
Finance cost 财务费用	(338)	(34)	894%	(1,414)	(911)	55%
Impairment loss on financial assets (made)/ write back, net 资产减值(亏损)/回冲	(1,038)	24,452	NM	(1,038)	56,793	NM
Loss before income tax 税前亏损	(14,611)	(4,745)	208%	(55,063)	(9,915)	455%
Income tax 所得税	(401)	2,012	NM	(570)	1,337	NM
Net loss after tax 税后亏损	(15,012)	(2,733)	449%	(55,633)	(8,578)	549%
Other comprehensive (loss)/income: 其它综合(损失)/收入						
Currency translation (loss) / gain 汇兑(损失)/收益	(3,421)	(356)	861%	18	42	-57%
Total comprehensive loss / (income) attributable to equity shareholders of the Company 总综合损失, 可归本公司收益持有人的亏损	(18,433)	(3,089)	497%	(55,615)	(8,536)	552%

NM - Not meaningful 没有意义



Note: Profit before income tax is determined after charging/ (crediting) the following:

备注：税前利润是扣除/(增加)以下项目后所得：

	Group 集团					
	3 months ended 截止3个月		+ / (-)	12 months ended 截止12个月		+ / (-)
	31 Dec 2019 RMB'000	31 Dec 2018 RMB'000		1 Jan-31 Dec 2019 RMB'000	1 Jan-31 Dec 2018 RMB'000	
Depreciation expense 折旧费用	1,911	5,105	-63%	14,384	16,372	-12%
Amortisation of right of use of assets (2018 : land use right) 土地使用权摊销	52	63	-17%	240	251	-4%
Amortisation of intangible assets 待摊费用无形资产	168	266	-37%	639	266	140%
Interest Income 利息收入	(31)	(11)	182%	(59)	(54)	9%
Interest Expense 利息费用	508	274	85%	1,414	911	55%
Impairment loss on right of use of assets (2018 : land use right) written back 土地使用权减值回冲	-	(369)	NM	-	(369)	NM
Impairment loss on bill receivables 应收票据减值亏损	-	1,600	NM	-	1,600	NM
Written off advances to suppliers 预付款减值亏损	-	301	NM	-	301	NM
Impairment loss / (written back of impairment loss) on trade receivables 应收账款减值亏损/(回冲)	1,038	(35,518)	NM	1,038	(58,393)	NM
Allowances loss/ (written back) for inventory obsolescence 存 货减值亏损/(回冲)	932	(1,501)	NM	932	(10,788)	NM
Inventory written off 存货注销	-	2,204	NM	-	2,204	NM
Transfer from deferred capital grant 待摊股权资金费用	(223)	(222)	0%	(223)	(222)	0%
Foreign exchange loss / (gain), net 汇兑损失/(收益)	82	(735)	NM	92	(18)	NM
Gain on disposal of property, plant and equipment 产业厂房 机器设备处置收益	-	(145)	NM	(5)	(291)	-98%

NM - Not meaningful 没有意义



1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

(本公司及集团)的资产负债表连同一财年度的对比表报

	Group 集团		Company 公司	
	31 Dec 2019 RMB'000	31 Dec 2018 (Restated*) RMB'000	31 Dec 2019 RMB'000	31 Dec 2018 RMB'000
EQUITY 股权				
Capital and reserves attributable to Equity holders of the Company 资本及储备归属于公司股权持有人				
Share capital 股本	55,409	55,409	55,409	55,409
Share premium 股票溢价	78,470	78,470	78,470	78,470
	133,879	133,879	133,879	133,879
Other Reserves 其他储备				
Statutory reserve 法定储备	30,526	30,526	-	-
Foreign exchange reserve 外汇储备	(3,354)	(3,372)	-	-
	27,172	27,154	-	-
Accumulated losses 留存亏损	(66,859)	(11,226)	(5,045)	(3,180)
TOTAL EQUITY 总股本	94,192	149,807	128,834	130,699
ASSETS 资产				
Non-current assets 非流动资产				
Property, plant and equipment 产业, 厂房和机器设备	73,943	87,628	-	-
Subsidiaries 子公司	-	-	156,236	156,236
Right of use of assets (2018 : land use right) 土地使用权	9,296	-	-	-
Intangible assets 无形资产	372	9,658	-	-
	83,611	97,286	156,236	156,236
Current assets 流动资产				
Inventories 存货	2,801	1,983	-	-
Trade receivables 应收账款	30,303	81,815	-	-
Other receivables, deposits and prepayments 其他应收, 无形资产	1,535	2,377	-	-
Intangible assets 无形资产	-	889	-	-
Cash and cash equivalents 现金	6,744	14,285	857	1,149
	41,383	101,349	857	1,149
TOTAL ASSETS 总资产	124,994	198,635	157,093	157,385
LIABILITIES 负债				
Current liabilities 流动负债				
Trade payables 应付账款	6,584	17,660	-	-
Other payables and accruals 其他应付款和计提	4,987	9,014	1,509	1,902
Provision	4,373	4,373	-	-
Bank loan 银行贷款	13,300	16,000	-	-
Due to subsidiaries (non-trade) 应付子公司 (非贸易)	-	-	26,750	24,784
Income tax payable 应付所得税	-	-	-	-
	29,244	47,047	28,259	26,686
Non-current liability 长期负债				
Deferred government grants 递延资本补助金	1,558	1,781	-	-
	1,558	1,781	-	-
TOTAL LIABILITIES 总负债	30,802	48,828	28,259	26,686
NET ASSETS 净资产	94,192	149,807	128,834	130,699

* Adjustment for under- accrual of revenue in financial year 2017



1(b)(ii) Aggregate amount of Group's borrowings and debt securities

集团贷款及抵押债务总额

Amount repayable in 1 year or less, or on demand

一年内需还的金额

Group 集团		Group 集团	
As At 31 Dec 2019		As At 31 December 2018	
Secured RMB'000 担保	Unsecured RMB'000 未担保	Secured RMB'000 担保	Unsecured RMB'000 未担保
13,300	NIL	16,000	NIL

Amount repayable after 1 year

一年外需还的金额

Group 集团		Group 集团	
As At 31 Dec 2019		As At 31 December 2018	
Secured RMB'000 担保	Unsecured RMB'000 未担保	Secured RMB'000 担保	Unsecured RMB'000 未担保
NIL	NIL	NIL	NIL

Note:

In 2Q FY2018, the Group had obtained 2 trade facilities totalling RMB16 million from Jiangnan Rural Commercial Bank. The 1st trade facility arrangement of RMB6 million was made on 21 June 2018 and the 2nd trade facility arrangement of RMB10 million was made on 5 July 2018. The facilities were collateralized by assets (machineries) of the Group. The short term loans of RMB6 million was pledged with machineries and was paid off on 21 Jun 2019 while the other one of RMB10 million was paid off on 4 July 2019.

The Group has subsequently obtained a loan facility of RMB10 million by pledging its land use right with Jiangnan Rural Commercial Bank on 4 July 2019. A 2nd loan of RMB6 million was secured from the same bank on 10 July 2019.

The Group has performed the repayment of loan off amounting to RMB2.7 million during 4Q FY2019 to reduce the interest expenses incurred by the Group in 4Q FY2019.

The Group has repayment of loan RMB0.9 million in January 2020 and RMB0.9 million in February 2020. The loan payable amount will be RMB11.5 million as at 29 February 2020.



1 (c) A statement of cash flows (for the group), together with a comparative statement as at the end of the immediately preceding financial year.
(集团)的现金流量表连同上一财年同期的对比表报

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2019
2019年度未审计的合并现金流量报表

	Group 集团			Group 集团		
	3 months ended 截至3个月		+/(-)	12 months ended 截至12个月		+/(-)
	31 Dec 2019 RMB'000	31 Dec 2018 RMB'000	%	1 Jan - 31 Dec 2019 RMB'000	1 Jan - 31 Dec 2018 RMB'000	%
OPERATING ACTIVITIES 营运活动						
Loss before income tax 税前亏损	(14,611)	(4,745)	208%	(55,063)	(9,915)	455%
Adjustments for: 调整						
Impairment loss / (written back of impairment loss) on trade receivables 应收账款减值亏损/(回冲)	1,038	(35,518)	NM	1,038	(58,393)	NM
Allowances loss/ (written back) for inventory obsolescence 存货减值亏损/(回冲)	932	(1,501)	NM	932	(10,788)	NM
Inventory written off 库存注销	-	2,204	NM	-	2,204	NM
Impairment loss on right of use of assets (2018: land use right) written back 土地使用权减值回冲	-	(369)	NM	-	(369)	NM
Impairment loss on bill receivables 应收票据减值亏损	-	1,600	NM	-	1,600	NM
Impairment loss on prepayment 预付款减值亏损	-	301	NM	-	301	NM
Depreciation expense 折旧	1,911	5,105	-63%	14,384	16,372	-12%
Amortisation of intangible assets 待摊费用无形资产	168	266	-37%	639	266	140%
Amortisation of right of use of assets (2018: land use right) 土地使用权摊销	52	63	-17%	240	251	-4%
Interest Income 利息收入	(31)	(11)	182%	(59)	(54)	9%
Interest Expense 利息支出	508	274	85%	1,414	911	55%
Gain on disposal of property, plant & equipment 产业厂房机器设备处置收益	-	(145)	NM	(5)	(291)	-98%
Foreign Exchange loss/(gain), net 汇兑损失/(收益)	82	(735)	NM	92	(18)	NM
Transfer from deferred capital grant 待摊股权资金费用	(223)	(222)	0%	(223)	(222)	0%
Operating losses before working capital changes 计算流动资金变更前的运营亏损	(10,174)	(33,433)	-70%	(36,611)	(58,145)	-37%
Inventories 存货	(14,356)	19,870	NM	(1,750)	8,230	NM
Trade & other Receivables 应收	36,166	8,508	325%	51,316	30,525	68%
Trade & other Payables 应付	(7,025)	2,614	NM	(15,103)	(7,985)	89%
Cash generated from / (used in) operations 营运所得/(所使用)净现金	4,611	(2,441)	-289%	(2,148)	(27,375)	-92%
Interest received 利息收入	31	11	182%	59	54	9%
Income tax 所得税	(401)	(675)	-41%	(570)	(675)	-16%
Net Cash from/ (used in) operating activities 营运所得/(所使用)净现金	4,241	(3,105)	NM	(2,659)	(27,996)	-91%
INVESTING ACTIVITIES 投资活动						
Purchase of property, plant and equipment 购买产业厂房, 机器设备	(16)	(13)	23%	(759)	(845)	-10%
Purchase of intangible assets 购买无形资产	-	(1,277)	NM	-	(1,277)	NM
Proceeds from disposal of property, plant and equipment 产业厂房, 机器设备的处置收益	2	340	-99%	65	642	-90%
Net cash used in investing activities 投资活动所使用净现金	(14)	(950)	-99%	(694)	(1,480)	-53%
FINANCING ACTIVITIES 融资活动						
Net withdrawal of pledged deposits 净撤回抵押存款	2,293	936	145%	2,293	1,316	74%
Loan from banks 银行贷款	16,000	-	NM	16,000	16,000	NM
Repayment to banks 银行还款	(18,700)	-	NM	(18,700)	-	NM
Interest Expense 利息支出	(508)	(274)	85%	(1,414)	(911)	55%
Net cash (used in) / from financing activities 融资活动(所使用)/所得的现金净额	(915)	662	NM	(1,821)	16,405	NM
Net increase / (decrease) in cash and cash equivalents 现金及现金等价物净增加/(减少)	3,312	(3,393)	NM	(5,174)	(13,071)	-60%
Cash and cash equivalents at beginning of the year 期初的现金及现金等价物	3,126	13,287	-76%	11,552	24,563	-53%
Effects of exchange rate changes in cash and cash equivalents 汇率变动对现金及现金等价物的影响	(134)	1,658	NM	(74)	60	NM
Cash and cash equivalents at end of the year 期末的现金及现金等价物	6,304	11,552	-45%	6,304	11,552	-45%
Effects of exchange rate changes in cash and cash equivalent 汇率变动对现金及现金等价物的影响						



Cash and bank balances comprise the following: 现金和银行余额包括以下:

	Group 集团			Group 集团		
	3 months ended 截至3个月		+ / (-)	12 months ended 截至12个月		+ / (-)
	31 Dec 2019 RMB'000	31 Dec 2018 RMB'000	%	1 Jan - 31 Dec 2019 RMB'000	1 Jan - 31 Dec 2018 RMB'000	%
Cash and cash equivalent 现金及现金等价物	6,304	11,552	-45%	6,304	11,552	-45%
Pledged cash placed with bank 银行保证金	440	2,733	-84%	440	2,733	-84%
	6,744	14,285	-53%	6,744	14,285	-53%

NM - Not meaningful 没有意义



1 (d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement as at the end of the immediately preceding financial year.

显示(公司及集团)(i)股东权益的所有变动的报表或(ii)资本化发行及分配产生的股东权益变更除外的股东权益变更的报表, 连同上一财年度同期的对比报表

Group 集团						
Group 集团	Share Capital 股本 RMB'000	Share Premium 股票溢价 RMB'000	Statutory Reserve 法定储备 RMB'000	Translation Reserve 外汇储备 RMB'000	Accumulated Losses 留存亏损 RMB'000	Total 合计 RMB'000
Balance as at 1 Jan 2018 2018年年初	55,409	78,470	30,526	(3,414)	(3,028)	157,963
Prior year adjustments 上一年调整数	-	-	-	-	380	380
Balance as at 1 Jan 2018 (Restated) 2018年年初重申	55,409	78,470	30,526	(3,414)	(2,648)	158,343
Total comprehensive expenses for the year 总综合费用本年	-	-	-	42	(8,578)	(8,536)
Balance as at 31 Dec 2018 (Restated) 2018年12月末重申	55,409	78,470	30,526	(3,372)	(11,226)	149,807
Group 集团						
Group 集团	Share Capital 股本 RMB'000	Share Premium 股票溢价 RMB'000	Statutory Reserve 法定储备 RMB'000	Translation Reserve 外汇储备 RMB'000	Accumulated Losses 留存亏损 RMB'000	Total 合计 RMB'000
Balance as at 1 Jan 2019 (Restated) 2019年年初重申	55,409	78,470	30,526	(3,372)	(11,226)	149,807
Total comprehensive expenses for the year 总综合费用本年	-	-	-	18	(55,633)	(55,615)
Balance as at 31 Dec 2019 2019年12月末	55,409	78,470	30,526	(3,354)	(66,859)	94,192
Company 公司						
Company 公司	Share Capital 股本 RMB'000	Share Premium 股票溢价 RMB'000	Statutory Reserve 法定储备 RMB'000	Translation Reserve 外汇储备 RMB'000	Accumulated Losses 留存亏损 RMB'000	Total 合计 RMB'000
Balance as at 1 Jan 2018 2018年年初	55,409	78,470	-	-	(453)	133,426
Total comprehensive expenses for the year 总综合费用本年	-	-	-	-	(2,727)	(2,727)
Balance as at 31 Dec 2018 2018年12月末	55,409	78,470	-	-	(3,180)	130,699
Company 公司						
Company 公司	Share Capital 股本 RMB'000	Share Premium 股票溢价 RMB'000	Statutory Reserve 法定储备 RMB'000	Translation Reserve 外汇储备 RMB'000	Accumulated Losses 留存亏损 RMB'000	Total 合计 RMB'000
Balance as at 1 Jan 2019 2019年年初	55,409	78,470	-	-	(3,180)	130,699
Total comprehensive expenses for the year 总综合费用本年	-	-	-	-	(1,865)	(1,865)
Balance as at 31 Dec 2019 2019年12月末	55,409	78,470	-	-	(5,045)	128,834



1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, subdivision, consolidation, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

自上一财政期，本公司因附加股,红股，股份购回，行使认股选择权或认股权,其他权益发行兑换，发行股票以取得现金或收购对价或为任何其他目的而发行股票而发生的任何变更的详情。注明截止至本财年期末及截止上一财年同期可能因所有有效可换股证券行使时会发行的股票数目，及库存股票股数（如有）占上市公司已发行股票的总数（扣除库存股票）。注明截止至本财年期末及截止上一财年同期可能因所有有效可换股证券行使时会发行的股票数目，及库存股票股数（如有）占上市公司已发行股票的总数（扣除库存股票）。注明截止至本财年期末及截止上一财年同期持有的库存股票和子公司持股数量（如有），以及持有的库存股份和子公司持有量占上市类别总数的百分比。

	Number of shares 股份	Issued share capital USD 发行股本(美元)	Issued share capital RMB 发行股本(人民币)
Issued and paid Share Capital as at 31 Dec 2019 and 31 Dec 2018	27,468,473	6,867,119	55,409,257
发布和支付股本于2019年12月31日及2018年12月31日			

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

显示上一财年和本财年的已发股份，不含库存股票

	Number of shares 股份	
	31 Dec 2019	31 Dec 2018
Issued and paid Share Capital 发布和支付股本	27,468,473	27,468,473

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial year reported on.

显示上一财年度和本财年度的股票出售、转让、处置、作废或使用库存股票的报告申明

Not applicable 不适用

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial year reported on.显示上一财年度和本财年度的股票出售、转让、作废或使用子公司持股的报告申明

Not applicable 不适用



2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

有关数据是否已根据审计准则或惯例被审计或审阅

The figures have not been audited or reviewed by the auditors.

数据未被审计师审计或复查

3. Where the figures have been audited or reviewed, the auditors' report (including any modifications or emphasis of a matter).

如数据已被审计或审阅，需附上审计报告（包括对任何特殊事项的澄清或强调）

Not applicable. 不适用

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer opinion : 如果最新的财务报表受到负面意见、限定意见或免责声明保留意见:

(i) Updates on the efforts taken to resolve each outstanding audit issue 为解决每个未决审计问题所作的努力的最新情况。 .

(ii) Confirmation from the Board that the impact of outstanding audit issues on the financial statements have been adequately disclosed 董事会确认未解决审计问题对财务报表的影响已充分披露.

Not applicable. 不适用。The audit has not completed and the external auditor has not provided any opinion at this moment. 审计尚未完成，审计师目前未提出任何意见。

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

公司是否应用上一期经审计的财务报表里相同的会计政策和计算方法

There are certain new International Financial Reporting Standards ("IFRSs") that are published and mandatory for accounting periods beginning on or after 1 January 2019. Where applicable other than requirements on presentation and disclosure, the adoption of these IFRSs does not have any material impact on the financial statements for the 12 months ending 31 December 2019. Apart from this, the same accounting policies and methods of computation have been consistently applied.

有一些新的国际财务报告准则（“国际财务报告准则”），将强制性的从2019年1月1日起使用。这些准则的采用不会对截至2019年12月31日的财务报表造成任何重大影响。除了这一点，同样的会计政策和计算方法一直被应用。

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

如会计政策和计算方法有任何改变，包括会计准则所规定的任何变更，需列出有关的变更，变更原因和变更的影响

Not applicable. 不适用



6. Earnings per ordinary share of the group for the current financial year reported on and the corresponding year of the immediately preceding financial year, after deducting any provision for preference dividends.

扣除优先股股息准备后，集团在本财年度期间及上一财年度期间每股普通股的盈利

Earnings per ordinary share for the year based on total comprehensive income/(losses) attributable to shareholders 股东每普通股的净利润	Group 集团	
	12 months ended 截至12个月	
	31 Dec 2019	30 Dec 2018
Basic profit / (losses) per share (RMB) 基每股盈利/(亏损) (RMB)	(2.02)	(0.31)
On a fully diluted basis (RMB) 在完全稀释的基础上 (RMB)	(2.02)	(0.31)
Weighted average number of ordinary shares in issue for basic earnings per share 股票的加权平均数	27,468,473	27,468,473

Earnings per share is derived using Net profit after tax divided by weighted average number of ordinary shares in issue at end of the year.

股东每普通股的净利润是用年末的税后利润除以股票的加权平均数。

There were no potentially dilutive ordinary shares in existence during the current period reported on and the corresponding year of the immediately preceding financial year. Accordingly, there is no difference in basic and diluted earnings per share.

没有潜在摊薄普通股在本财年度期间或上一财年度期间。因此，基本和基于摊薄基准后的每股收益没有差异。

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-

基于期末已发行股本(扣除库存股票)计算的公司每股普通股资产净值:-

(a) current financial year reported on; and

于本财年度期末

(b) immediately preceding financial year.

上一财年度期末

	Group 集团		Company 公司	
	31 Dec 2019	31 Dec 2018	31 Dec 2019	31 Dec 2018
Net asset value per ordinary share based on the issued capital at the end of the financial year (RMB) 财年末的每普通股净资产价值 (人民币)	3.43	5.45	4.69	4.76
Number of shares in calculating net asset value 计算净资产价值的股份数	27,468,473	27,468,473	27,468,473	27,468,473



8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

回顾集团表现能对集团业务得到合理了解。此必须包括以下分析:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial year reported on, including (where applicable) seasonal or cyclical factors;

任何在本财年影响集团的营业额、成本和盈利的重要因素，包括（如适用）季节性或周期性因素；

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial year reported on.

Review of the Group's Performance

影响本集团在本财年报告期间的现金流量、营运资金、资产或负债的任何重大因素。

Statement of Comprehensive Income for the year ended 31 December 2019

截止 2019 年 12 月 31 日的利润表

Overview 总体

The Group's revenue is derived from bidding for projects in open tender exercises conducted by the customers and as such, quarterly results would not accurately reflect the full-year performance. Full-year to full-year comparisons are more appropriate for analytical purposes.

Revenue 销售

4Q FY2019 vs 4Q FY2018

Revenue increased by 24% from RMB4.88 million in 4Q FY2018 to RMB6.05 million in 4Q FY2019. This is due to the Group's subsidiary in China (the Subsidiary) has delivered the orders on time as requested by the 2 major customers during 4Q FY2019. During 4Q FY2019, the Subsidiary has aggressively bidding the tender and the major customer has awarded the tender amounting to RMB16.23 million (2018: RMB0.18 million). The Subsidiary has delivered goods amounting to RMB3.04 million during 4Q FY2019.

YTD 4Q FY2019 vs YTD 4Q FY2018

Revenue decreased by 52% from RMB29.85 million in YTD 4Q FY2018 to RMB14.40 million in YTD 4Q FY2019 reflecting the Subsidiary's inability to secure tender for project awards amid ongoing industry consolidation, weak market and key customer confidence erosion arising from long drawn litigation uncertainties between the Group and Subsidiary and its ex-CEO and founder shareholder. During 4Q FY2019, Sales Department with aggressive tender bidding secured awards pushing 2019 successful bids to RMB23.87 million and the goods delivery to the major customer amounting to RMB5.46 million in 2019. Since 1 January 2020 to 29 February 2020, the Subsidiary has been awarded new tenders amounting to RMB23.16 million, reflecting an improved tender award rate in 2020. Backlog (successful tender) at the



end of December 2019 and February 2020 were RMB18.41 million and RMB41.57 million - respectively, a reflection of moderate improvement in our recent tender bids.

Cost of Sales 销售成本

4Q FY2019 vs 4Q FY2018

Cost of sales increased by 41% from RMB10.33 million in 4Q FY2018 to RMB14.61 million in 4Q FY2019 reflecting the under-absorption of factory cost. The Subsidiary, as a result of sales/order and production shortfall have furloughed about 27% of overall workforce (a large part of those affected are from the production floor). Average wage saving per quarter amounting to about RMB0.69 million, is a result of paying such workers minimum wages to streamline and reduce wage cost during this difficult time.

In 4Q FY2019, the Subsidiary has set up a team to closely monitor the process of cost of sales with an aim to lower Cost of Sales and improved productivity by offering reward and compensation plan to staff coming up with good ideas.

YTD 4Q FY2019 vs YTD 4Q FY2018

Cost of sales decreased by 36% from RMB46.36 million in YTD 4Q FY2018 to RMB29.86 million in YTD 4Q FY2019, mainly due to a reduction in revenue for the financial year. With cost of sales exceeding revenue for FY2019, it resulted in a gross loss for the financial year. The relatively higher Cost of sales reflected under absorption of production cost for factory operating way below its normal plan volume. Additionally, during the year, the Subsidiary has outsourced certain cutting jobs to certain sub-contractors due to its lack of high technological machineries as well as skilled labour required for the jobs secured.

The Subsidiary has a cumulative cost saving of close to RMB1 million up to end 2019 for its Furlough Program. Depending on increased production volume, workers would return to the production floor resuming their regular wage and fringes. The Subsidiary is continuing to take drastic action to reduce cost of sales as explained above, to aid and complement Sales Department's aggressive effort in securing more orders to fill up the slack production lines.

Gross loss 毛利

4Q FY2019 vs 4Q FY2018

The Group's gross loss increased by 57% amounting to RMB8.56 million in 4Q FY2019 as compared to a loss of RMB5.46 million in 4Q FY2018. The gross loss is due to a combination of factors such as extremely competitive prices caused by open bidding system from our major customer and marginal contracts for slack production lines. The cost structure of the Group had also been consistently rigid due to competitive market conditions for both materials and skilled labour.

YTD 4Q FY2019 vs YTD 4Q FY2018

The Group's gross loss diminished by 6% amounting to RMB15.45 million in YTD 4Q FY2019 as compared to a loss of RMB16.52 million in YTD 4Q FY2018. The explanations for 4Q FY2019 is applicable to YTD 4Q FY2019.



Other operating income 其他运营收入

4Q FY2019 vs 4Q FY2018

Other operating income decreased by 15% from RMB1 million in 4Q FY2018 to RMB0.85 million in 4Q FY2019. The other operating income consists mainly of the sales of the scrap and wastage iron in production. The decrease is a result of lower volume of production.

YTD 4Q FY2019 vs YTD 4Q FY2018

Other operating income increased by 11% from RMB1.47 million in YTD 4Q FY2018 to RMB1.63 million in YTD 4Q FY2019. The sales of scrap and wastage iron have increased from RMB0.52million during YTD 4Q FY2018 to RMB0.98 million during YTD 4Q FY2019. Receipt proceeds from disposal of fixed assets for YTD 4Q 2019 amounting to RMB0.07 million (2018: RMB0.64 million). During FY 2019, the Subsidiary has obtained subsidies award from the local China Tax Authority amounting to RMB0.10 million (2018: RMB0).

Selling and distribution expenses 营销费用

4Q FY2019 vs 4Q FY2018

Selling and distribution expenses decreased by 15% from RMB2.41 million in 4Q FY2018 to RMB2.05 million in 4Q FY2019 is mainly due to decrease in revenue and less entertainment expense in 4Q FY2019. Entertainment expense has been reduced from RMB2.32 in 4Q FY2018 to RMB1 million in 4Q FY2019.

YTD 4Q FY2019 vs YTD 4Q FY2018

Selling and distribution expenses decreased by 26% from RMB6.66 million in YTD 4Q FY2018 to RMB4.95 million in YTD 4Q FY2019 due to decrease in salaries of the Sales Department amounting to RMB0.06 million; decrease in commission of RMB0.32 million; decrease in travelling expenses of RMB0.29 million and decrease of entertainment expenses of RMB1.05 million as compared to YTD 4Q FY2018. In 2019, the Subsidiary has re-classified the transportation cost from selling and distribution to cost of sale and there were no commission paid for the year.

Administrative expenses 行政费用

4Q FY2019 vs 4Q FY2018

Administrative expenses decreased from RMB21.11 million in 4Q FY2018 to RMB2.26 million in 4Q FY2019. During 4Q FY2019, the Subsidiary has unabsorbed depreciation re-classified from production cost to administration expenses, labour cost RMB1.94 million (2018: RMB3.98 million), legal fee RMB0.59 million (2018: RMB0), audit fee RMB0.32 million (2018: RMB0.04 million), security fee RMB0.27 million (2018: RMB0.15 million), travelling expenses RMB0.22 million (2018: RMB0) and etc., continuing the gradual cost reduction to match a lower business volume.



YTD 4Q FY2019 vs YTD 4Q FY2018

Maintaining the Subsidiary's effort in cost improvement to match its lower business volume, administration expenses have been decreased by 24% from RMB42.90 million in YTD 4Q FY2018 to RMB32.63 million in YTD 4Q FY2019. Administration expenses included re-classification of depreciation from production cost to administration cost, labour cost RMB9.24 million (2018: RMB9.79 million), professional fee RMB3.25 million (2018: RMB1.5 million), legal fee RMB2.84 million (2018: RMB2.10 million), labour compensation cost RMB0.91 million (2018: RMB4.67 million), audit fee RMB0.91 million (2018: RMB0.98 million), security fee RMB0.46 million (2018: RMB0.71 million), office expenses RMB0.25 million (2018: RMB0.41 million), general insurance cost RMB0.23 million (2018: RMB0.37 million); car expenses RMB0.13 million (2018: RMB0.17 million), repair & maintenance of office area RMB0.26 million (2018: RMB0.18 million) and Labour Association Fee RMB0.03 million (2018: RMB0.18 million).

Impairment loss on financial assets write back / (made), net 资产减值回冲/(亏损)

4Q FY2019 vs 4Q FY2018

The impairment written back in 4Q FY2018 totaling RMB24.45 million, attributable to receipt of previously impaired trade receivables of RMB24.55 million. The provision for impairment loss on trade receivables amounting to RMB1.04 million during 4Q FY2019 comprises an additional provision for impairment of trade receivables of a customer of RMB3.71 million as well as reversal of prior year impairment amounting to RMB1.67 million through collection from various customers in 2019.

YTD 4Q FY2019 vs YTD 4Q FY2018

The impairment written back in YTD Q4 FY2018 totaling RMB56.79 million consisted of receipt of previously impaired trade receivables of RMB56.79 million. For FY2019, the provision for impairment loss on trade receivables amounting to RMB1.04 million as explained above, versus provision written back amounting to RMB56.79 million in FY 2018.

Statement of Financial Position as at 31 December 2019

截止 2019 年 12 月 31 日的资产负债表

Property, plant and equipment, right of use of assets (2018 : land use right) & intangible assets 产业厂房和机器设备,土地所有权和无形资产

Property, plant and equipment (PPE), right of use of assets (2018 : land use right) & intangible assets as at YTD 4Q FY2019 was RMB83.61 million as compared to RMB97.29 million as at 4Q FY2018. The decrease was mainly due to depreciation in YTD 4Q FY2019 amounting to RMB14.38 million offset by disposal of fixed assets RMB0.06 million and further offset by the acquisition of new plant and machinery amounting to RMB0.50 million, office equipment amounting to RMB0.03 million and a company car amounting to RMB0.23 million.



Inventories 存货

As at YTD 4Q FY2019, inventories stood at RMB2.8 million which mainly consists of WIP inventory amounting to RMB2.7 million, newly purchased raw materials amounting to RMB0.05 million and spare parts amounting to RMB0.5 million to fulfill the sales orders.

Trade receivables 应收账款

Reflecting the lower business turnover, trade receivables decreased from RMB81.82 million in YTD 4Q FY2018 to RMB30.3 million in YTD 4Q FY2019 reflecting Subsidiary collection of a long outstanding debts amounting to RMB57 million in 2019. The Subsidiary currently has bill receivables on hand amounting to RMB6.15 million due on 25 October 2020.

Other receivables, deposits and prepayments 其他应收, 定金和预付款

Other receivables, deposits and prepayments amounting to RMB1.54 million in YTD 4Q FY2019, a decrease from RMB2.38 million in YTD 4Q FY2018 due to the Subsidiary being able to collect temporarily cash advance to employees as well as deposit placed on certain utilities services.

Trade payables 应付账款

The trade payables decreased by RMB11.08 million from RMB17.66 million in YTD 4Q FY2018 to RMB6.58 million in YTD 4Q FY2019 due to payments made to various suppliers and due to lower purchases in tandem with lower sales during YTD 4Q FY2019.

Other payables and accruals 其他应付和计提

Other payables and accruals decreased by RMB4.02 million from RMB9.01 million as at YTD 4Q FY2018 to RMB4.99 million as at YTD 4Q FY2019. This is mainly due to utilization of the accruals of professional fees for debt collection amounting to RMB1.69 million as well as increased accruals of VAT amounting to RMB1.62 million, increased accruals of staff benefits amounting to RMB0.11 million and increased accruals of security fee amounting to RMB0.04 million

Bank loans 银行贷款

The bank loans as at YTD 4Q FY2019 refers to loans from Jiangnan Rural Commercial Bank totalling RMB13.3 million for trade facilities purposes. There was a net repayment of loan amounting RMB2.7 million during YTD 4Q FY2019.

The Subsidiary has repayment of loan for RMB0.9 million in January 2020 and RMB0.9 million in February 2020. The loan payable amount will be RMB11.5 million as at 29 February 2020.



Statement of Cash Flows for the period ended 31 December 2019

截止2019年12月31日的资金流量表

4Q FY2019

The Group's net cash generated from operating activities amounting to RMB4.24 million arising from loss before income tax adjusted for non-cash effects items of, RMB10.17 million after accounting of positive changes in working capital amounting to RMB14.79 million.

The Group's net cash used in investing activities amounting to RMB14K was mainly applied on acquisition of office equipment RMB16K.

The Group's net cash used in financing activities amounting to RMB0.92 million mainly due to an interest payment of bank loan interest amounting to RMB0.51 million. The Subsidiary has performed the net repayment of loan of RMB2.7 million in 4Q FY2019.

In 4Q FY2019, the Group had a positive cash inflow of RMB3.31 million.

YTD 4Q FY2019

The Group's net cash outflow from operating activities amounting to RMB2.66 million arising from loss before income tax adjusted for non-cash effects items of, RMB36.61 million after accounting for a positive change in working capital amounting to RMB34.46 million.

The Group's net cash used in investing activities amounting to RMB0.69 million was mainly applied on acquisition of new plant and machinery for RMB0.5 million, office equipment for RMB0.03 million and a company car for RMB0.23 million and proceed on disposal of used fork lift for RMB55K and a laptop for RMB8K.

The Group's net cash outflow from financing activities amounting to RMB1.82 million mainly due an interest payment of bank loan interest amounting to RMB1.41 million. The Subsidiary has performed the net repayment of loan of RMB2.7 million in YTD 4Q FY2019.

During YTD 4Q FY2019, the Group had a net cash outflow of RMB5.17 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

如以前曾向股东披露预测或前景申明，列出它与实际业绩的差别

Not applicable. 不适用



10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

截止公告日，集团所处行业的显著趋势和竞争情况以及可能影响集团在下个报告和未来 12 个月的任何已知因素或事项的有关评论

China's 6% GDP growth in the 4th quarter of 2019 the slowest since the first quarter of 1992 and its slowest GDP gain in at least 27½ years reflects the slowing Chinese economy amidst an encouraging transformation from a manufacture-based economy to a consumer and service one. With reduced power consumption and a green energy trend in China, the business environment continues to be challenging and highly competitive in the landscape that the Group is operating in. Whilst the signing of the first phase trade pact between United States and China has little effect in reducing our business uncertainties, the Covid-19 Corona Virus outbreak since early 2020 has created immense concerns and uncertainties among our employees and customers alike. With only 90% of our workforce back in operation since 13 February 2020, business operation has been significantly impacted due to health risks, travel limitations and other logistical restrictions. We are looking into business continuity actions to address the impacts on our business including cash flow improvement and delivery assurance actions. Meanwhile, we are looking at local loan relief and subsidy programmes offered by local municipal government and the banks.

With one of the Group's FY2018 audit disclaimer of opinion hinging on 'going concern' assumptions, fresh in our minds, the Subsidiary will continue to intensify bids for tender to secure more orders from the current major customers and new customers to increase the revenue significantly in order to improve trading performance. It has been making efforts to re-establish business relationships with its ex-key customers and is hopeful to re-gain their confidence, using established means. In the meantime, cost cutting measures have been introduced to improve the overall cost competitiveness and production efficiency.

The long ongoing legal actions undertaken by the Group in China and Singapore against the largest shareholder and our former CEO, have severely impacted our business. This has led to serious confidence erosion among the Subsidiary key customers over the last 3 years as manifested by the resultant loss of orders, the root of the current 'going concern' risk facing the group. With the recent Chinese judgment, we are conscientiously working towards mutually beneficial and meaningful ends to these legal actions in our immediate future.



11. Dividend
股息

(a) Current Financial Period Reported On 当期

None 无

(b) Corresponding Period of the Immediately Preceding Financial Year 上财年同期

None 无

(c) Date payable 付款期

Not applicable 不适用

(d) Record date 股息记录截止日

Not applicable 不适用

12. If no dividend has been declared/(recommended), a statement to that effect and the reason(s) for the decision.

如果没有宣布/推荐股息，请此刻声明。

No dividend has been declared or recommended in year 2019.

2019 年度没有建议派发股息。

The statement stated that it is due to the Group's continuous losses incurred for the year-to-date. 此刻声明，因为集团这几年直到现在都不断亏损

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1) (a) (ii). If no IPT mandate has been obtained, a statement to that effect.

如果集团已获得股东的授权，而授权交易的金额是按照规则920(1)(a)(ii).如有此授权，请作此声明

No IPT mandate has been obtained. 没有获得此授权

14. Confirmation Pursuant to Rule 720(1) of the Listing Manual

根据规则第720（1）的上市手册确认

Shanghai Turbo Enterprises Ltd confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in Appendix 7.7
上海动力发展有限公司确认所有的董事和执行人员已遵守了上市规则第 720（1）。



Part II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

第二部 - 全年财务报表公告的附加信息

15. **Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements, with comparative information for the immediately preceding year.**

在发行人的最新和前期审计过的财务报告的分段收入，业绩和地区分段（集团）

By Geographical Segments

地区分段

Revenue 收入 Country 国家	Group 集团		Group 集团	
	31 Dec 2019		31 Dec 2018	
	RMB'000	%	RMB'000	%
China 中国	14,402	100%	29,845	100%
Total	14,402	100%	29,845	100%

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

评价公司业绩时的任何导致营业额和利润发生重大变化的因素

The factors relating to material changes in contributions to turnover and earnings are stated in Item 8. 第 8 项目列出导致营业额和利润发生重大变化的因素

17. **A breakdown of sales.**

销售分析

	Financial Year		Increase /
	31 Dec 2019	31 Dec 2018	Decrease
	RMB'000	RMB'000	%
(a) Sales reported for first half year 上半年销售	6,044	14,028	-57%
(b) Operating profit/(loss) after tax before deducting non-controlling interests reported for the first half year 上半年营业利润税扣除少数权利	(28,675)	(1,403)	1944%
(c) Sales reported for second half year 下半年销售	8,358	15,817	-47%
(d) Operating profit/(loss) after tax before deducting non-controlling interests reported for the second half year 下半年营业利润税扣除少数权利	(26,958)	(7,115)	279%

18. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

公司今年和去年的股息金额（千人民币）

	31 Dec 2019	31 Dec 2018	31 Dec 2017
	RMB'000	RMB'000	RMB'000
Ordinary 普通股	-	-	-
Preference 优先股	-	-	-
Total 总计	-	-	-



19. **Disclosure of person occupying a managerial position in the issuer or any or its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

根据规则 704 (13) 下，董事或首席执行官或大股东的亲戚如在公司或主要子公司有担任经理职位的话，需做披露。如果没有这样的人，公司必须作出适当的负面声明。

There are no persons occupying managerial positions in the Company or any of its subsidiaries who are relatives of a director or chief executive office or substantial shareholder of the Company.

没有董事或首席执行官或大股东的亲戚有在公司或主要子公司担任经理的职位

“In the event of any conflict between the English and Chinese versions of this announcement, the English version shall prevail.”

“若中英文版本出现不一致时，以英文版本为准。”

BY ORDER OF THE BOARD 董事局命令

Huang Wooi Teik
Non-Executive Chairman & Lead Independent Director
非执行主席暨首席独立董事
29 February 2020
2020 年 2 月 29 日