

**YONGMAO HOLDINGS LIMITED**  
**(Company Registration No.200510649K)**

**UNAUDITED SECOND HALF FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD/YEAR ENDED 31 MARCH 2020**

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

**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group statement of profit or loss and other comprehensive income for the financial period/year ended 31 March 2020. These figures have not been audited.

|                                       | Group (Second Half)                          |                                              |                         | Group (Full Year)                          |                                            |                         |
|---------------------------------------|----------------------------------------------|----------------------------------------------|-------------------------|--------------------------------------------|--------------------------------------------|-------------------------|
|                                       | RMB'000                                      |                                              | %                       | RMB'000                                    |                                            | %                       |
|                                       | 6 months ended<br>31 Mar 2020<br>(2H FY2020) | 6 months ended<br>31 Mar 2019<br>(2H FY2019) | Increase/<br>(Decrease) | 12 months ended<br>31 Mar 2020<br>(FY2020) | 12 months ended<br>31 Mar 2019<br>(FY2019) | Increase/<br>(Decrease) |
| <b>Revenue</b>                        | 383,688                                      | 497,404                                      | (22.9)                  | 962,352                                    | 885,413                                    | 8.7                     |
| Cost of sales                         | (302,075)                                    | (357,505)                                    | (15.5)                  | (713,522)                                  | (646,737)                                  | 10.3                    |
| <b>Gross profit</b>                   | 81,613                                       | 139,899                                      | (41.7)                  | 248,830                                    | 238,676                                    | 4.3                     |
| Other income                          | 12,705                                       | 5,887                                        | 115.8                   | 16,517                                     | 9,083                                      | 81.8                    |
| Distribution costs                    | (34,730)                                     | (35,229)                                     | (1.4)                   | (79,690)                                   | (69,885)                                   | 14.0                    |
| Administrative expenses               | (37,683)                                     | (49,121)                                     | (23.3)                  | (84,828)                                   | (88,952)                                   | (4.6)                   |
| Other operating expenses              | (5,121)                                      | 479                                          | NM                      | (15,659)                                   | 5,636                                      | NM                      |
| Finance costs                         | (8,052)                                      | (9,911)                                      | (18.8)                  | (16,891)                                   | (18,520)                                   | (8.8)                   |
| <b>Total operating expenses</b>       | (85,586)                                     | (93,782)                                     | (8.7)                   | (197,068)                                  | (171,721)                                  | 14.8                    |
| <b>Profit before taxation</b>         | 8,732                                        | 52,004                                       | (83.2)                  | 68,279                                     | 76,038                                     | (10.2)                  |
| Taxation                              | (4,237)                                      | (11,119)                                     | (61.9)                  | (19,318)                                   | (17,232)                                   | 12.1                    |
| <b>Net profit for the period/year</b> | 4,495                                        | 40,885                                       | (89.0)                  | 48,961                                     | 58,806                                     | (16.7)                  |
| <b>Attributable to:</b>               |                                              |                                              |                         |                                            |                                            |                         |
| Equity holders of the Company         | 8,361                                        | 39,828                                       | (79.0)                  | 59,709                                     | 61,453                                     | (2.8)                   |
| Non-controlling interests             | (3,866)                                      | 1,057                                        | NM                      | (10,748)                                   | (2,647)                                    | 306.0                   |
| <b>Net profit for the period/year</b> | 4,495                                        | 40,885                                       | (89.0)                  | 48,961                                     | 58,806                                     | (16.7)                  |

NM: Not Meaningful

|                                                                            | Group (Second Half)                          |                                              |                         | Group (Full Year)                          |                                            |                         |
|----------------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|-------------------------|--------------------------------------------|--------------------------------------------|-------------------------|
|                                                                            | RMB'000                                      |                                              | %                       | RMB'000                                    |                                            | %                       |
|                                                                            | 6 months ended<br>31 Mar 2020<br>(2H FY2020) | 6 months ended<br>31 Mar 2019<br>(2H FY2019) | Increase/<br>(Decrease) | 12 months ended<br>31 Mar 2020<br>(FY2020) | 12 months ended<br>31 Mar 2019<br>(FY2019) | Increase/<br>(Decrease) |
| <b>Net profit for the period/year</b>                                      | 4,495                                        | 40,885                                       | (89.0)                  | 48,961                                     | 58,806                                     | (16.7)                  |
| <b>Other comprehensive income:</b>                                         |                                              |                                              |                         |                                            |                                            |                         |
| Item that <u>may</u> be reclassified subsequently<br>to profit of loss:    |                                              |                                              |                         |                                            |                                            |                         |
| Exchange translation difference <sup>1</sup>                               | (457)                                        | (4,023)                                      | (88.6)                  | 8,864                                      | 8,354                                      | 6.1                     |
|                                                                            | (457)                                        | (4,023)                                      | (88.6)                  | 8,864                                      | 8,354                                      | 6.1                     |
| Item that <u>cannot</u> be reclassified subsequently<br>to profit of loss: |                                              |                                              |                         |                                            |                                            |                         |
| Fair value gain on financial assets, FVOCI <sup>2</sup>                    | 184                                          | 30,718                                       | (99.4)                  | 184                                        | 30,718                                     | (99.4)                  |
| Other comprehensive income<br>of the period, net of tax                    | (273)                                        | 26,695                                       | NM                      | 9,048                                      | 39,072                                     | (76.8)                  |
| <b>Total comprehensive income<br/>for the period/year</b>                  | 4,222                                        | 67,580                                       | (93.8)                  | 58,009                                     | 97,878                                     | (40.7)                  |
| <b>Total comprehensive income<br/>attributable to:</b>                     |                                              |                                              |                         |                                            |                                            |                         |
| Equity holders of the Company                                              | 7,625                                        | 67,901                                       | (88.8)                  | 65,157                                     | 97,494                                     | (33.2)                  |
| Non-controlling interests                                                  | (3,403)                                      | (321)                                        | 960.1                   | (7,148)                                    | 384                                        | NM                      |
| <b>Total comprehensive income<br/>for the period/year</b>                  | 4,222                                        | 67,580                                       | (93.8)                  | 58,009                                     | 97,878                                     | (40.7)                  |

## Notes to Group statement of profit or loss:

|                                                      | Group (Second Half)                          |                                              |                         | Group (Full Year)                          |                                            |                         |
|------------------------------------------------------|----------------------------------------------|----------------------------------------------|-------------------------|--------------------------------------------|--------------------------------------------|-------------------------|
|                                                      | RMB'000                                      |                                              | %                       | RMB'000                                    |                                            | %                       |
|                                                      | 6 months ended<br>31 Mar 2020<br>(2H FY2020) | 6 months ended<br>31 Mar 2019<br>(2H FY2019) | Increase/<br>(Decrease) | 12 months ended<br>31 Mar 2020<br>(FY2020) | 12 months ended<br>31 Mar 2019<br>(FY2019) | Increase/<br>(Decrease) |
| <b>Other income</b>                                  |                                              |                                              |                         |                                            |                                            |                         |
| Amortisation of deferred capital grants              | 115                                          | 115                                          | -                       | 229                                        | 229                                        | -                       |
| Compensation income <sup>3</sup>                     | 11                                           | 399                                          | (97.2)                  | 82                                         | 951                                        | (91.4)                  |
| Gain on disposal of property, plant<br>and equipment | 232                                          | 12                                           | 1,833.3                 | 910                                        | 43                                         | 2,016.3                 |
| Government grants <sup>4</sup>                       | 8,808                                        | 2,197                                        | 300.9                   | 8,912                                      | 2,218                                      | 301.8                   |
| Interest income <sup>5</sup>                         | 874                                          | 923                                          | (5.3)                   | 1,579                                      | 1,159                                      | 36.2                    |
| Rental income <sup>5</sup>                           | 1,412                                        | 1,596                                        | (11.5)                  | 2,904                                      | 3,320                                      | (12.5)                  |
| Others                                               | 1,253                                        | 645                                          | 94.3                    | 1,901                                      | 1,163                                      | 63.5                    |
|                                                      | 12,705                                       | 5,887                                        | 115.8                   | 16,517                                     | 9,083                                      | 81.8                    |

NM: Not Meaningful

|                                                                       | Group (Second Half)                          |                                              |                         | Group (Full Year)                          |                                            |                         |
|-----------------------------------------------------------------------|----------------------------------------------|----------------------------------------------|-------------------------|--------------------------------------------|--------------------------------------------|-------------------------|
|                                                                       | RMB'000                                      |                                              | %                       | RMB'000                                    |                                            | %                       |
|                                                                       | 6 months ended<br>31 Mar 2020<br>(2H FY2020) | 6 months ended<br>31 Mar 2019<br>(2H FY2019) | Increase/<br>(Decrease) | 12 months ended<br>31 Mar 2020<br>(FY2020) | 12 months ended<br>31 Mar 2019<br>(FY2019) | Increase/<br>(Decrease) |
| <b>Other operating expenses</b>                                       |                                              |                                              |                         |                                            |                                            |                         |
| Allowance/(Reversal) of impairment for trade receivables <sup>6</sup> | 2,106                                        | (3,752)                                      | NM                      | 2,106                                      | (3,752)                                    | NM                      |
| Bank charges                                                          | 206                                          | 955                                          | (78.4)                  | 689                                        | 1,231                                      | (44.0)                  |
| Donations                                                             | 100                                          | 3                                            | 3,233.3                 | 400                                        | 3                                          | NM                      |
| Employee compensation on relocation <sup>7</sup>                      | 244                                          | -                                            | NM                      | 11,393                                     | -                                          | NM                      |
| Exchange loss/(gain) <sup>6</sup>                                     | 456                                          | 2,217                                        | (79.4)                  | (4,972)                                    | (3,258)                                    | 52.6                    |
| Loss on disposal of property, plant and equipment                     | 10                                           | 72                                           | (86.1)                  | 552                                        | 72                                         | 666.7                   |
| Property, plant and equipment written off <sup>7</sup>                | 250                                          | 1                                            | NM                      | 795                                        | 1                                          | NM                      |
| Transportation expenses on factory relocation <sup>7</sup>            | 1,264                                        | -                                            | NM                      | 4,203                                      | -                                          | NM                      |
| Others                                                                | 485                                          | 25                                           | 1,840.0                 | 493                                        | 67                                         | 635.8                   |
|                                                                       | 5,121                                        | (479)                                        | NM                      | 15,659                                     | (5,636)                                    | NM                      |

The Group profit before taxation is arrived at after charging:

|                                                               | Group (Second Half)                          |                                              |                         | Group (Full Year)                          |                                            |                         |
|---------------------------------------------------------------|----------------------------------------------|----------------------------------------------|-------------------------|--------------------------------------------|--------------------------------------------|-------------------------|
|                                                               | RMB'000                                      |                                              | %                       | RMB'000                                    |                                            | %                       |
|                                                               | 6 months ended<br>31 Mar 2020<br>(2H FY2020) | 6 months ended<br>31 Mar 2019<br>(2H FY2019) | Increase/<br>(Decrease) | 12 months ended<br>31 Mar 2020<br>(FY2020) | 12 months ended<br>31 Mar 2019<br>(FY2019) | Increase/<br>(Decrease) |
| Amortisation of lease prepayments                             | -                                            | 222                                          | NM                      | -                                          | 443                                        | NM                      |
| Depreciation of right-of-use assets <sup>8</sup>              | 4,741                                        | -                                            | NM                      | 8,800                                      | -                                          | NM                      |
| Depreciation of property, plant and equipment                 | 27,514                                       | 27,260                                       | 0.9                     | 54,752                                     | 53,563                                     | 2.2                     |
| (Gain)/Loss on disposal of property, plant and equipment, net | (222)                                        | 60                                           | NM                      | (358)                                      | 29                                         | NM                      |
| Interest expense                                              | 8,052                                        | 9,911                                        | (18.8)                  | 16,891                                     | 18,520                                     | (8.8)                   |
| Operating lease rentals <sup>8</sup>                          | 4,193                                        | 5,733                                        | (26.9)                  | 7,459                                      | 11,792                                     | (36.7)                  |
| Write-down/(Reversal of write down) of Inventory <sup>9</sup> | 1,719                                        | (68)                                         | NM                      | 1,719                                      | 4,443                                      | (61.3)                  |

NM: Not Meaningful

Note:

- Gain on exchange translation arose from translation of the net assets of our Hong Kong subsidiaries and Singapore subsidiaries. HKD and SGD appreciated 7.4% and 0.4% respectively against RMB as at 31 March 2020 as compared to last financial year end.
- Fair value gain/(loss) arises from the valuation surplus/(deficit) from the unquoted equity investment.
- Mainly compensation income received from sub-contractors resulted from non-conformance in quality for goods delivered and compensation from customers by court order.
- Mainly refers to Beijing Yongmao factory's relocation grant of RMB8 million. The amount also includes product development grants and export grants from the PRC authorities.
- See Paragraph 8 – Other income.
- See Paragraph 8 – Operating expense.
- Expenses incurred in relates to relocation of Beijing's manufacturing plant exercise.
- The adoption of SFRS(I) 16 Leases resulted certain leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right-to-use the leased item) and a financial liability to pay rentals are recognised. The right-to-use assets are subsequently depreciated and charged to income statement. Please refer to para 5 for more details.
- Mainly provision for inventory obsolescence on certain components and accessories that decline in value arising from products rationalization exercise to discontinue certain tower cranes model with low market demand. The provision for inventory obsolescence is included in "cost of sales".

**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.**

|                                                             | Group                        |                  | Company                      |                |
|-------------------------------------------------------------|------------------------------|------------------|------------------------------|----------------|
|                                                             | 31 Mar<br>2020               | 31 Mar<br>2019   | 31 Mar<br>2020               | 31 Mar<br>2019 |
|                                                             | RMB'000                      | RMB'000          | RMB'000                      | RMB'000        |
|                                                             | <i>Restated <sup>1</sup></i> |                  | <i>Restated <sup>1</sup></i> |                |
| <b>ASSETS</b>                                               |                              |                  |                              |                |
| <b>Non-current</b>                                          |                              |                  |                              |                |
| Property, plant and equipment <sup>2</sup>                  | 436,679                      | 407,218          | -                            | -              |
| Lease repayment <sup>2</sup>                                | -                            | 18,986           | -                            | -              |
| Subsidiaries                                                | -                            | -                | 344,363                      | 344,363        |
| Financial assets, at FVOCI                                  | 119,029                      | 118,845          | 119,029                      | 118,845        |
| Trade and other receivables                                 | 171                          | 225              | -                            | -              |
| Deferred tax assets                                         | 17,667                       | 17,996           | -                            | -              |
|                                                             | <u>573,546</u>               | <u>563,270</u>   | <u>463,392</u>               | <u>463,208</u> |
| <b>Current</b>                                              |                              |                  |                              |                |
| Inventories                                                 | 392,204                      | 358,641          | -                            | -              |
| Trade and other receivables                                 | 432,257                      | 424,496          | 259                          | 229            |
| Amounts owing by subsidiaries                               | -                            | -                | 40,466                       | 34,387         |
| Amounts owing by related parties                            | 68,504                       | 83,845           | -                            | -              |
| Amount owing by a corporate shareholder of a subsidiary     | 3,468                        | 3,345            | -                            | -              |
| Cash and cash equivalents                                   | 167,343                      | 193,651          | 1,388                        | 2,558          |
|                                                             | <u>1,063,776</u>             | <u>1,063,978</u> | <u>42,113</u>                | <u>37,174</u>  |
| <b>TOTAL ASSETS</b>                                         | <u>1,637,322</u>             | <u>1,627,248</u> | <u>505,505</u>               | <u>500,382</u> |
| <b>EQUITY</b>                                               |                              |                  |                              |                |
| <b>Capital and Reserves</b>                                 |                              |                  |                              |                |
| Share capital                                               | 312,484                      | 312,484          | 312,484                      | 312,484        |
| Reserves                                                    | 464,795                      | 413,058          | 187,909                      | 181,959        |
| <b>Equity attributable to equity holders of the Company</b> | <u>777,279</u>               | <u>725,542</u>   | <u>500,393</u>               | <u>494,443</u> |
| Non-controlling interests                                   | 51,595                       | 57,001           | -                            | -              |
| <b>TOTAL EQUITY</b>                                         | <u>828,874</u>               | <u>782,543</u>   | <u>500,393</u>               | <u>494,443</u> |
| <b>LIABILITIES</b>                                          |                              |                  |                              |                |
| <b>Non-current</b>                                          |                              |                  |                              |                |
| Borrowings <sup>2</sup>                                     | 4,891                        | 708              | -                            | -              |
| Deferred capital grants                                     | 9,542                        | 9,771            | -                            | -              |
| Deferred tax liabilities <sup>3</sup>                       | 25,847                       | 22,412           | 84                           | -              |
| Trade and other payables                                    | 16,100                       | 18,434           | -                            | -              |
|                                                             | <u>56,380</u>                | <u>51,325</u>    | <u>84</u>                    | <u>-</u>       |
| <b>Current</b>                                              |                              |                  |                              |                |
| Trade and other payables                                    | 422,830                      | 476,087          | 5,028                        | 4,927          |
| Borrowings <sup>2</sup>                                     | 272,354                      | 251,895          | -                            | -              |
| Deferred capital grants                                     | 229                          | 229              | -                            | -              |
| Amounts owing to a subsidiary                               | -                            | -                | -                            | 994            |
| Amounts owing to/advances from related parties              | 9,610                        | 18,615           | -                            | -              |
| Amounts owing to a corporate shareholder of a subsidiary    | 34,277                       | 34,325           | -                            | -              |
| Current tax payable                                         | 12,768                       | 12,229           | -                            | 18             |
|                                                             | <u>752,068</u>               | <u>793,380</u>   | <u>5,028</u>                 | <u>5,939</u>   |
| <b>TOTAL LIABILITIES</b>                                    | <u>808,448</u>               | <u>844,705</u>   | <u>5,112</u>                 | <u>5,939</u>   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <u>1,637,322</u>             | <u>1,627,248</u> | <u>505,505</u>               | <u>500,382</u> |

Note:

1. See Paragraph 4 on the reclassification of comparative figures.
2. The adoption of SFRS(I) 16 Leases resulted certain leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right-to-use the leased item) and a financial liability to pay rentals are recognised. Please refer to para 5 for more details.
3. Retrospective adjustment made on deferred tax liabilities. Please refer to para 5 for more details.

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

|                                                    | As at 31 Mar 2020      |                          | As at 31 Mar 2019      |                          |
|----------------------------------------------------|------------------------|--------------------------|------------------------|--------------------------|
|                                                    | Secured <sup>(1)</sup> | Unsecured <sup>(2)</sup> | Secured <sup>(1)</sup> | Unsecured <sup>(2)</sup> |
|                                                    | RMB'000                | RMB'000                  | RMB'000                | RMB'000                  |
| Amount repayable in one year or less, or on demand | 267,088                | 24,621                   | 251,895                | 28,662                   |
| Amount repayable after one year                    | 511                    | 4,380                    | 708                    | -                        |
|                                                    | 267,599                | 29,001                   | 252,603                | 28,662                   |

**Details of any collaterals**

**Note (1):** The secured loans include the following:

|                                   | 31 Mar 2020 | 31 Mar 2019 |                                                                                                                                                                                                            |
|-----------------------------------|-------------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                   | RMB'000     | RMB'000     | Description                                                                                                                                                                                                |
| <b>Bank borrowings</b>            |             |             |                                                                                                                                                                                                            |
| a)                                | 88,000      | 73,000      | Granted to Fushun Yongmao Construction Machinery Co., Ltd. ("Fushun Yongmao"), guaranteed by Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd. ("Beijing Yongmao") and a director of the Company. |
| b)                                | 48,500      | 49,000      | Granted to Fushun Yongmao, guaranteed by Beijing Yongmao.                                                                                                                                                  |
| c)                                | 30,000      | 30,000      | Granted to Fushun Yongmao, guaranteed by the Company.                                                                                                                                                      |
| d)                                | 10,000      | 10,000      | Granted to Fushun Yongmao, guaranteed by Beijing Yongmao and certain directors of the Company.                                                                                                             |
| e)                                | 23,000      | 42,000      | Granted to Fushun Yongmao, guaranteed by certain directors of the Company.                                                                                                                                 |
| f)                                | 30,000      | -           | Granted to Fushun Yongmao, guaranteed by Beijing Yongmao and certain directors of the Company.                                                                                                             |
| g)                                | 10,000      | -           | Granted to Fushun Yongmao, guaranteed by the Company, Beijing Yongmao and a director of the Company and secured by bank deposit.                                                                           |
| h)                                | 9,519       | 14,055      | Granted to Yongmao Machinery (H.K.) Company Limited ("Yongmao Hongkong"), guaranteed by the Company, certain directors of the Company and secured by certain tower cranes.                                 |
|                                   | 249,019     | 218,555     |                                                                                                                                                                                                            |
| <b>Short-term trade financing</b> |             |             |                                                                                                                                                                                                            |
| a)                                | -           | 24,514      | Granted to Fushun Yongmao, guaranteed by certain directors of the Company and secured by certain trade receivables from related party.                                                                     |
|                                   | -           | 24,514      |                                                                                                                                                                                                            |
| <b>Lease obligations</b>          |             |             |                                                                                                                                                                                                            |
| a)                                | 1,266       | 1,470       | In respect of motor vehicles and office equipment acquired under leases.                                                                                                                                   |
| b)                                | 17,314      | 8,564       | In respect of tower cranes acquired under leases granted to Yongmao Hongkong.                                                                                                                              |
|                                   | 18,580      | 10,034      |                                                                                                                                                                                                            |
|                                   | 267,599     | 252,603     |                                                                                                                                                                                                            |

The above borrowings are for working capital purposes.

**Note (2):** The unsecured borrowings include the followings:

- RMB18.4 million (31 March 2019 – RMB18.4 million), which was interest-bearing, was from a corporate shareholder to Beijing Yongmao for the purpose of increasing the working capital of Beijing Yongmao. This is included as part of "Amounts owing to a corporate shareholder of a subsidiary" under current liabilities in the balance sheet.
- RMB1.0 million (31 March 2019 – RMB8.8 million), which was interest-bearing, was from related parties to Fushun Yongmao for the purpose of increasing the working capital of the Group. This is included as part of "Amounts owing to/advances from related parties" under current liabilities in the balance sheet.
- RMB Nil million (31 March 2019 – RMB1.5 million), which was non-interest bearing, was from a director of the Company to Fushun Yongmao for the purpose of increasing the working capital of the Group. This is included as part of "Trade and other payables" under current liabilities in the balance sheet.
- RMB9.6 million (31 March 2019 – Nil), which was lease liabilities for the yard in Yongmao Hongkong.

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

|                                                                       | Group (Second Half)                             |                                                                                 | Group (Full Year)                             |                                                                               |
|-----------------------------------------------------------------------|-------------------------------------------------|---------------------------------------------------------------------------------|-----------------------------------------------|-------------------------------------------------------------------------------|
|                                                                       | RMB'000                                         |                                                                                 | RMB'000                                       |                                                                               |
|                                                                       | 6 months<br>ended<br>31 Mar 2020<br>(2H FY2020) | 6 months<br>ended<br>31 Mar 2019<br>(2H FY2019)<br><i>Restated</i> <sup>1</sup> | 12 months<br>ended<br>31 Mar 2020<br>(FY2020) | 12 months<br>ended<br>31 Mar 2019<br>(FY2019)<br><i>Restated</i> <sup>1</sup> |
| <b>Cash flows from operating activities</b>                           |                                                 |                                                                                 |                                               |                                                                               |
| Profit before taxation                                                | 8,732                                           | 52,004                                                                          | 68,279                                        | 76,038                                                                        |
| Adjustments for :                                                     |                                                 |                                                                                 |                                               |                                                                               |
| Amortisation of deferred capital grants                               | (115)                                           | (115)                                                                           | (229)                                         | (229)                                                                         |
| Amortisation of lease prepayments <sup>2</sup>                        | -                                               | 222                                                                             | -                                             | 443                                                                           |
| Depreciation of property, plant and equipment <sup>2</sup>            | 32,255                                          | 27,260                                                                          | 63,552                                        | 53,563                                                                        |
| (Gain)/Loss on disposal of property, plant and equipment, net         | (222)                                           | 60                                                                              | (358)                                         | 29                                                                            |
| Property, plant and equipment written off                             | 250                                             | 1                                                                               | 795                                           | 1                                                                             |
| Write-down/(Reversal of write-down) of inventory                      | 1,719                                           | (68)                                                                            | 1,719                                         | 4,443                                                                         |
| Allowance/(Reversal of allowance) for impairment of trade receivables | 2,106                                           | (3,752)                                                                         | 2,106                                         | (3,752)                                                                       |
| Interest expense                                                      | 8,052                                           | 9,911                                                                           | 16,891                                        | 18,520                                                                        |
| Interest income                                                       | (874)                                           | (923)                                                                           | (1,579)                                       | (1,159)                                                                       |
| Exchange translation difference                                       | (204)                                           | (126)                                                                           | 22                                            | 343                                                                           |
| <b>Operating profit before working capital changes</b>                | 51,699                                          | 84,474                                                                          | 151,198                                       | 148,240                                                                       |
| Increase in inventories <sup>3</sup>                                  | (19,817)                                        | (17,538)                                                                        | (58,190)                                      | (72,490)                                                                      |
| Decrease/(Increase) in operating receivables                          | 43,408                                          | (77,181)                                                                        | 4,918                                         | (53,895)                                                                      |
| (Decrease)/Increase in operating payables                             | (58,177)                                        | 83,012                                                                          | (59,333)                                      | 113,689                                                                       |
| <b>Cash generated from operations</b>                                 | 17,113                                          | 72,767                                                                          | 38,593                                        | 135,544                                                                       |
| Interest paid                                                         | (5,963)                                         | (9,697)                                                                         | (14,603)                                      | (17,182)                                                                      |
| Tax paid                                                              | (10,418)                                        | (5,845)                                                                         | (15,936)                                      | (9,843)                                                                       |
| <b>Net cash generated from operating activities</b>                   | 732                                             | 57,225                                                                          | 8,054                                         | 108,519                                                                       |
| <b>Cash flows from investing activities</b>                           |                                                 |                                                                                 |                                               |                                                                               |
| Acquisition of property, plant and equipment                          | (24,951)                                        | (15,908)                                                                        | (27,077)                                      | (17,240)                                                                      |
| Proceeds from disposal of property, plant and equipment               | 793                                             | 1,313                                                                           | 2,154                                         | 2,621                                                                         |
| Repayment to corporate shareholder of a subsidiary                    | (316)                                           | (472)                                                                           | (337)                                         | (477)                                                                         |
| Interest received                                                     | 874                                             | 923                                                                             | 1,579                                         | 1,159                                                                         |
| <b>Net cash used in investing activities</b>                          | (23,600)                                        | (14,144)                                                                        | (23,681)                                      | (13,937)                                                                      |
| <b>Cash flows from financing activities</b>                           |                                                 |                                                                                 |                                               |                                                                               |
| Proceeds from borrowings                                              | 189,500                                         | 174,525                                                                         | 269,500                                       | 304,630                                                                       |
| Repayment of borrowings                                               | (156,236)                                       | (173,977)                                                                       | (263,895)                                     | (322,533)                                                                     |
| Proceeds from finance lease                                           | 11,124                                          | 7,520                                                                           | 11,124                                        | 7,325                                                                         |
| Repayment of finance lease liabilities                                | (1,671)                                         | (3,405)                                                                         | (3,417)                                       | (9,357)                                                                       |
| Repayment of lease liabilities <sup>2</sup>                           | (2,569)                                         | -                                                                               | (5,069)                                       | -                                                                             |
| Restricted bank balances                                              | 4,457                                           | 10,043                                                                          | 11,469                                        | (3,142)                                                                       |
| Receipt from/(Repayment to) related parties                           | 1,012                                           | (3,657)                                                                         | (7,913)                                       | (6,359)                                                                       |
| Repayment to a director                                               | -                                               | (3,213)                                                                         | (1,487)                                       | (3,213)                                                                       |
| Capital injection by non-controlling interests                        | 1,742                                           | -                                                                               | 1,742                                         | -                                                                             |
| Dividends paid to equity holders of the Company                       | -                                               | -                                                                               | (13,420)                                      | (4,333)                                                                       |
| <b>Net cash generated from/(used in) financing activities</b>         | 47,359                                          | 7,836                                                                           | (1,366)                                       | (36,982)                                                                      |
| Net increase/(decrease) in cash and cash equivalents                  | 24,491                                          | 50,917                                                                          | (6,993)                                       | 57,600                                                                        |
| Cash and cash equivalents at beginning of period/year                 | 84,831                                          | 73,132                                                                          | 123,849                                       | 65,307                                                                        |
| Exchange adjustments                                                  | (312)                                           | (420)                                                                           | 2,154                                         | 942                                                                           |
| <b>Cash and cash equivalents at end of period/year</b>                | 109,010                                         | 123,629                                                                         | 109,010                                       | 123,849                                                                       |

Note:

1. See Paragraph 4 on the reclassification of comparative figures.
2. The adoption of SFRS(I) 16 Leases resulted certain leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right-to-use the leased item) and a financial liability to pay rentals are recognised. Please refer to para 5 for more details.
3. Included in increase in inventories for 2H FY2020 of RMB18.8 million (2H FY2019 : RMB21.5 million) and Full Year FY2020 of RMB36.8 million (Full Year FY2019: RMB56.9 million) respectively, were tower cranes and tower crane components and accessories that were self-constructed which were held for rental purposes and have been presented under operating activities in accordance with SFRS(I) 1-7 Statement of Cash Flows.

**Analysis of cash and cash equivalents**

|                          | Group                  |                        |
|--------------------------|------------------------|------------------------|
|                          | RMB'000<br>31 Mar 2020 | RMB'000<br>31 Mar 2019 |
| Cash on hand             | 123                    | 89                     |
| Bank balances            | 167,220                | 193,562                |
|                          | 167,343                | 193,651                |
| Restricted bank balances | (58,333)               | (69,802)               |
|                          | 109,010                | 123,849                |

**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 for the corresponding period of the immediately preceding financial year.**

| Group                                                | Share capital | Merger reserve | Statutory common reserve | Fair value reserve | Retained earnings | Exchange fluctuation reserve | Total attributable to equity holders of the Company | Non-controlling interests | Total equity |
|------------------------------------------------------|---------------|----------------|--------------------------|--------------------|-------------------|------------------------------|-----------------------------------------------------|---------------------------|--------------|
|                                                      | RMB'000       | RMB'000        | RMB'000                  | RMB'000            | RMB'000           | RMB'000                      | RMB'000                                             | RMB'000                   | RMB'000      |
| <b>Current year:</b>                                 |               |                |                          |                    |                   |                              |                                                     |                           |              |
| <b>Balance as at 1 Apr 2019</b>                      | 312,484       | (26,769)       | 65,570                   | 40,170             | 329,600           | 4,487                        | 725,542                                             | 57,001                    | 782,543      |
| Total comprehensive income/(expenses) for the period | -             | -              | -                        | -                  | 51,348            | 6,184                        | 57,532                                              | (3,745)                   | 53,787       |
| Transfer to statutory common reserve                 | -             | -              | 7,231                    | -                  | (7,231)           | -                            | -                                                   | -                         | -            |
| Dividends                                            | -             | -              | -                        | -                  | (13,420)          | -                            | (13,420)                                            | -                         | (13,420)     |
| <b>Balance as at 30 Sep 2019</b>                     | 312,484       | (26,769)       | 72,801                   | 40,170             | 360,297           | 10,671                       | 769,654                                             | 53,256                    | 822,910      |
| Total comprehensive income/(expenses) for the period | -             | -              | -                        | 184                | 8,361             | 920                          | 7,625                                               | (3,403)                   | 4,222        |
| Transfer to statutory common reserve                 | -             | -              | (3,360)                  | -                  | 3,360             | -                            | -                                                   | -                         | -            |
| Capital injection by non-controlling interests       | -             | -              | -                        | -                  | -                 | -                            | -                                                   | 1,742                     | 1,742        |
| <b>Balance as at 31 Mar 2020</b>                     | 312,484       | (26,769)       | 69,441                   | 40,354             | 372,018           | 9,751                        | 777,279                                             | 51,595                    | 828,874      |

| Group                                                                             | Share capital | Merger reserve | Statutory common reserve | Fair value reserve | Retained earnings | Exchange fluctuation reserve | Total attributable to equity holders of the Company | Non-controlling interests | Total equity |
|-----------------------------------------------------------------------------------|---------------|----------------|--------------------------|--------------------|-------------------|------------------------------|-----------------------------------------------------|---------------------------|--------------|
|                                                                                   | RMB'000       | RMB'000        | RMB'000                  | RMB'000            | RMB'000           | RMB'000                      | RMB'000                                             | RMB'000                   | RMB'000      |
| <b>Current year:</b>                                                              |               |                |                          |                    |                   |                              |                                                     |                           |              |
| <b>Balance as at 1 Apr 2018</b>                                                   | 312,484       | (26,769)       | 60,326                   | 9,452              | 266,111           | (836)                        | 620,768                                             | 56,617                    | 677,385      |
| Impact of adoption of SFRS(I) 15 on previously reported reserves as at 1 Apr 2018 | -             | -              | -                        | -                  | 11,613            | -                            | 11,613                                              | -                         | 11,613       |
| <b>As Restated at 1 Apr 2018</b>                                                  | 312,484       | (26,769)       | 60,326                   | 9,452              | 277,724           | (836)                        | 632,381                                             | 56,617                    | 688,998      |
| Total comprehensive income for the period                                         | -             | -              | -                        | -                  | 21,625            | 7,968                        | 29,593                                              | 705                       | 30,298       |
| Transfer to statutory common reserve                                              | -             | -              | 2,857                    | -                  | (2,857)           | -                            | -                                                   | -                         | -            |
| Dividends                                                                         | -             | -              | -                        | -                  | (4,333)           | -                            | (4,333)                                             | -                         | (4,333)      |
| <b>Balance as at 30 Sep 2018</b>                                                  | 312,484       | (26,769)       | 63,183                   | 9,452              | 292,159           | 7,132                        | 657,641                                             | 57,322                    | 714,963      |
| Total comprehensive income for the period                                         | -             | -              | -                        | 30,718             | 39,828            | (2,645)                      | 67,901                                              | (321)                     | 67,580       |
| Transfer to statutory common reserve                                              | -             | -              | 2,387                    | -                  | (2,387)           | -                            | -                                                   | -                         | -            |
| <b>Balance as at 31 Mar 2019</b>                                                  | 312,484       | (26,769)       | 65,570                   | 40,170             | 329,600           | 4,487                        | 725,542                                             | 57,001                    | 782,543      |

| Company                                              | Share capital | Fair value reserve | Retained earnings | Total equity |
|------------------------------------------------------|---------------|--------------------|-------------------|--------------|
|                                                      | RMB'000       | RMB'000            | RMB'000           | RMB'000      |
| <b>Current year:</b>                                 |               |                    |                   |              |
| <b>Balance as at 1 Apr 2019</b>                      | 312,484       | 40,170             | 132,446           | 485,100      |
| Adjustment for Deferred Tax Liabilities <sup>1</sup> | -             | -                  | 9,343             | 9,343        |
| <b>As restated at 1 April 2019</b>                   | 312,484       | 40,170             | 141,789           | 494,443      |
| Total comprehensive expense for the period           | -             | -                  | 21,496            | 21,496       |
| Dividends                                            | -             | -                  | (13,420)          | (13,420)     |
| <b>Balance as at 30 Sep 2019</b>                     | 312,484       | 40,170             | 140,522           | 493,176      |
| Adjustment for Deferred Tax Liabilities <sup>1</sup> | -             | -                  | 9,988             | 9,988        |
| <b>As restated at 30 Sep 2019</b>                    | 312,484       | 40,170             | 150,510           | 503,164      |
| Total comprehensive income for the period            | -             | 184                | (2,955)           | (2,771)      |
| <b>Balance as at 31 Mar 2020</b>                     | 312,484       | 40,354             | 147,555           | 500,393      |

Note:

1. Retrospective adjustment made on deferred tax liabilities. Please refer to para 5 for more details.

| Company                                                                           | Share capital<br>RMB'000 | Fair value reserve<br>RMB'000 | Retained earnings<br>RMB'000 | Total equity<br>RMB'000 |
|-----------------------------------------------------------------------------------|--------------------------|-------------------------------|------------------------------|-------------------------|
| <b>Current year:</b>                                                              |                          |                               |                              |                         |
| <b>Balance as at 1 Apr 2018</b>                                                   | 312,484                  | 9,452                         | 133,732                      | 455,668                 |
| Adjustment for Deferred Tax Liabilities <sup>1</sup>                              | -                        | -                             | 6,745                        | 6,745                   |
| Impact of adoption of SFRS(I) 15 on previously reported reserves as at 1 Apr 2018 | -                        | -                             | (611)                        | (611)                   |
| <b>As restated at 1 April 2018</b>                                                | 312,484                  | 9,452                         | 139,866                      | 461,802                 |
| Total comprehensive expense for the period                                        | -                        | -                             | (642)                        | (642)                   |
| Dividends                                                                         | -                        | -                             | (4,333)                      | (4,333)                 |
| <b>Balance as at 30 Sep 2019</b>                                                  | 312,484                  | 9,452                         | 128,146                      | 450,082                 |
| Adjustment for Deferred Tax Liabilities <sup>1</sup>                              | -                        | -                             | 8,171                        | 8,171                   |
| <b>As restated at 30 September 2019</b>                                           | 312,484                  | 9,452                         | 136,317                      | 458,253                 |
| Total comprehensive income for the period                                         | -                        | 30,718                        | (4,300)                      | 26,418                  |
| <b>Balance as at 31 Mar 2019</b>                                                  | 312,484                  | 40,170                        | 132,446                      | 485,100                 |
| Adjustment for Deferred Tax Liabilities <sup>1</sup>                              | -                        | -                             | 9,343                        | 9,343                   |
| <b>As restated at 31 Mar 2019</b>                                                 | 312,484                  | 9,452                         | 141,789                      | 494,443                 |

Note:

1. Retrospective adjustment made on deferred tax liabilities. Please refer to para 5 for more details.

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, 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.**

There was no change in the Company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, 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 in 2H FY2020 or 2H FY2019.

There was no outstanding convertible, treasury share or subsidiary holdings as at 31 March 2020 (31 March 2019 – Nil).

**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.**

|                                                           | 31 March 2020 | 31 March 2019 |
|-----------------------------------------------------------|---------------|---------------|
| Total number of issued shares (excluding treasury shares) | 88,749,997    | 88,749,997    |

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

There was no sale, transfer, cancellation and/or use of treasury shares as at 31 March 2020 (31 March 2019 – Nil).

**1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.**

There was no sale, transfer, cancellation and/or use of subsidiary holdings as at 31 March 2020 (31 March 2019 – Nil).

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

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

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

Not applicable.

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

Except as disclosed in paragraph 5 below, the Group and the Company have adopted the same accounting policies and method of computation as the audited financial statements for the financial year ended 31 March 2019.

Certain comparative figures have been reclassified to conform with current year's presentation:

Statement of financial position as at 31 March 2019.

|                                                | Group       |                  |             |
|------------------------------------------------|-------------|------------------|-------------|
|                                                | 31 Mar 2019 |                  |             |
|                                                | As reported | Reclassification | As restated |
|                                                | RMB'000     | RMB'000          | RMB'000     |
| <b>Current Assets</b>                          |             |                  |             |
| Trade and other receivables                    | 455,030     | (30,534)         | 424,496     |
| Amounts owing by related parties               | 89,199      | (5,354)          | 83,845      |
| <b>Current Liabilities</b>                     |             |                  |             |
| Trade and other payables                       | 506,621     | (30,534)         | 476,087     |
| Amounts owing to/advances from related parties | 23,969      | (5,354)          | 18,615      |

Statement of cash flows for the Group for the financial period 2H of FY2019 and Full-Year of FY2019.

|                                              | Group (Second Half FY2019) |                  |             | Group (Full Year FY2019)    |                  |             |
|----------------------------------------------|----------------------------|------------------|-------------|-----------------------------|------------------|-------------|
|                                              | 6 months ended 31 Mar 2019 |                  |             | full year ended 31 Mar 2019 |                  |             |
|                                              | As reported                | Reclassification | As restated | As reported                 | Reclassification | As restated |
|                                              | RMB'000                    | RMB'000          | RMB'000     | RMB'000                     | RMB'000          | RMB'000     |
| <b>Cash flows from operating activities</b>  |                            |                  |             |                             |                  |             |
| (Increase)/Decrease in operating receivables | (90,240)                   | 13,059           | (77,181)    | (75,655)                    | 21,760           | (53,895)    |
| Increase/(Decrease) in operating payables    | 96,071                     | (13,059)         | 83,012      | 135,449                     | (21,760)         | 113,689     |
| <b>Cash flows from financing activities</b>  |                            |                  |             |                             |                  |             |
| Proceeds from borrowings                     | 174,525                    | -                | 174,525     | 288,625                     | 16,005           | 304,630     |
| Repayment of borrowings                      | (167,611)                  | (6,366)          | (173,977)   | (315,032)                   | (7,501)          | (322,533)   |
| Proceeds from finance lease                  | 7,520                      | -                | 7,520       | 23,330                      | (16,005)         | 7,325       |
| Repayment of finance lease liabilities       | (9,771)                    | 6,366            | (3,405)     | (16,858)                    | 7,501            | (9,357)     |

**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.**

**The Group**

The Group adopted the new/revised SFRS(I)s that are effective for annual periods beginning on or after 1 January 2019. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s.

The adoption of the SFRS(I)s, SFRS(I) Interpretations and amendments to SFRS(I)s did not have any significant impact on the financial statements of the Group except for the following:

**SFRS(I) 16 Leases**

SFRS(I) 16 is effective for financial years beginning on or after 1 January 2019. The Group has applied the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

SFRS(I) 16 has resulted in almost all leases being recognised on the balance sheet, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right-to-use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term leases and leases of low value assets. The accounting for lessors has not changed significantly.

Right-of-use ("ROU") assets are measured using the cost model and are carried at cost less accumulated depreciation and accumulated impairment loss, if any, subsequent to initial recognition. The carrying amount for lease liabilities subsequent to initial recognition would take into account interest on the lease liabilities, lease payments made and any reassessment or lease modifications.

The adoption of SFRS(I) 16 resulted in adjustments to the balance sheet of the Group as at 1 April 2019. The differences from the balance sheet as previously reported at 31 March 2019 are as follows:

|                                                          | As at 1 April 2019<br>reported under SFRS(I)<br>RMB'000 |
|----------------------------------------------------------|---------------------------------------------------------|
| Increase in property, plant and equipment (ROU assets)   | 13,580                                                  |
| Increase in lease liabilities (Borrowings - current)     | 4,557                                                   |
| Increase in lease liabilities (Borrowings - non-current) | 9,023                                                   |

**Lease prepayment**

Land use right was classified as lease prepayment under SFRS(I) 1-1 in last financial year. Upon transition to SFRS(I) 16, land use right is included as part of the carrying amount of ROU assets and subject to the disclosure requirements under SFRS(I) 16. For the reporting as at 31 March 2020, the carrying amount of land use right is presented under property, plant & equipment.

**Property, plant and equipment under finance lease**

Upon transition to SFRS(I) 16, property, plant and machinery under finance lease is included as part of the carrying amount of ROU assets and subject to the disclosure requirements under SFRS(I) 16. For the reporting as at 31 March 2020, the carrying amount of ROU assets (finance lease) is presented under property, plant & equipment in the statement of financial position. The disclosure of correspondence depreciation is narrated as depreciation of ROU.

**The Company**

**Deferred tax liabilities**

Pursuant to the PRC Corporate Income Tax Law and the tax treaty between the PRC and Singapore, a 5% withholding tax is levied on the dividends to the Company from the subsidiaries established in the PRC. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. The Group made provision for deferred tax liabilities on withholding tax at 5% of all retained earnings subject to withholding taxes of its PRC subsidiaries.

As the undistributed earnings of subsidiaries are not consolidated at the Company level, it does not give rise to a taxable temporary differences at Company level. Therefore, a prior year adjustment was made retrospectively at the Company level in accordance to Para 38 of SFRS(1) 1-12 Income Taxes.

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

|                                                                                             | <b>Group (Second Half)</b>                            |                                                       | <b>Group (Full Year)</b>                            |                                                     |
|---------------------------------------------------------------------------------------------|-------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
|                                                                                             | <b>RMB'000</b>                                        |                                                       | <b>RMB'000</b>                                      |                                                     |
|                                                                                             | <b>6 months ended<br/>31 Mar 2020<br/>(2H FY2020)</b> | <b>6 months ended<br/>31 Mar 2019<br/>(2H FY2019)</b> | <b>12 months ended<br/>31 Mar 2020<br/>(FY2020)</b> | <b>12 months ended<br/>31 Mar 2019<br/>(FY2019)</b> |
| Earnings of the Group, after deducting any provision for preference dividends (in RMB'000): | 8,361                                                 | 39,828                                                | 59,709                                              | 61,453                                              |
| Weighted average no. of shares used in computation of basic earning per shares              | 88,749,997                                            | 88,749,997                                            | 88,749,997                                          | 88,749,997                                          |
| Earnings per share (in cents RMB)                                                           |                                                       |                                                       |                                                     |                                                     |
| (a) Based on weighted average number of ordinary shares on issue                            | 9.42                                                  | 44.88                                                 | 67.28                                               | 69.24                                               |
| (b) On a fully diluted basis                                                                | 9.42                                                  | 44.88                                                 | 67.28                                               | 69.24                                               |

The basic and diluted earnings per ordinary share of the Group is computed based on the Group's profit after taxation attributable to equity holders of the Company on the existing number of ordinary shares in issue of 88,749,997 at the end of the reporting periods.

There is no difference between the basic and diluted earnings per share.

**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:**  
**(a) current financial period reported on; and**  
**(b) immediately preceding financial year.**

|                                                   | <b>Group</b>           |                        | <b>Company</b>         |                             |
|---------------------------------------------------|------------------------|------------------------|------------------------|-----------------------------|
|                                                   | <b>31 Mar<br/>2020</b> | <b>31 Mar<br/>2019</b> | <b>31 Mar<br/>2020</b> | <b>31 Mar<br/>2019</b>      |
|                                                   |                        |                        |                        | <i>Restated<sup>1</sup></i> |
| Net asset value per ordinary share<br>(RMB cents) | 875.81                 | 817.51                 | 563.82                 | 557.12                      |

Net asset value per share for the Group and the Company for 31 March 2020 and 31 March 2019 has been computed based on shareholders' equity as at the respective dates and the number of shares of 88,749,997 ordinary shares.

Note:

1. Retrospective adjustment made on deferred tax liabilities. Please refer to para 5 or more details.

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:**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

## **REVIEW OF INCOME STATEMENT OF THE GROUP**

### **Second-Half FY2020 ("2H FY2020") vs Second-Half FY2019 ("2H FY2019")**

#### **Revenue**

Group revenue decreased by 22.9.% to RMB383.7 million in 2H FY2020 as compared to RMB497.4 million in 2H FY2019. Revenue decreased was from lower sales of tower cranes by RM136.6 million from RMB405.1 million in 2H FY2019 to RMB268.5 million in 2H FY2020. This is mainly due to the production disruption arising from the factory relocation of Beijing Yongmao as well as delays and/or postponement in deliveries of our products resulting from the government containment measures amidst the rapid spread of the COVID-19 pandemic in the first quarters of year 2020.

The decrease was partly offset by the increase in sales of components and rental and service income by RMB15.5 million and RMB7.4 million respectively. The increase in rental income was mainly due to increase in rental projects in the PRC.

Sales in the PRC and the Middle East and Others decreased by RMB99.5 million and RMB22.0 million respectively in 2H FY2020 as compared to 2H FY2019 amidst the disruption of supply for small and medium size tower cranes resulting from Beijing Yongmao's factory relocation exercise and the delays and/or postponement of deliveries of our products amidst the COVID-19 pandemic. The decrease was partly offset by the increase in Asia (outside of PRC) of RMB4.3 million from RMB203.3 million in 2H FY2019 to RMB207.6 million in 2H FY2020 resulting mainly from higher demand for higher lifting capacity tower cranes with the adoption of Prefabricated Pre-finished Volumetric Construction (PPVC) method. Revenue in the USA & Europe increased by RMB3.5 million.

Overall, Asia (outside the PRC) and the PRC sales contributed to 54.1% and 35.8% respectively of the Group revenue in 2H FY2020.

#### **Gross profit and gross profit margin**

In line with lower revenue, gross profit decreased by 41.7% to RMB81.6 million in 2H FY2020 from RMB139.9 million in 2H FY2019. In addition, arising from the consolidation of Beijing Yongmao's plant to Fushun, the Group recorded a one off obsolescence stocks adjustment and write off as well as higher cost of goods sold in 2H FY2020 to adjust for an under charged of cost of goods sold in the first half of the financial year ended 31 March 2020.

The decrease was also attributable to high production overhead cost absorbed during the first quarters of year 2020 with government containment measures implemented in the PRC amid the rapid spread of the COVID-19 pandemic.

Accordingly, average gross profit margin decreased to 21.3% in 2H FY2020 from 28.1% in 2H FY2019.

#### **Other income**

Other income increased by RMB6.8 million to RMB12.7 million in 2H FY2020 as compared to RMB5.9 million in 2H FY2019 was mainly due to additional government grants received for the Beijing Yongmao's factory relocation.

#### **Operating expenses**

Total operating expenses decreased 8.7% to RMB85.6 million in 2H FY2020 as compared to RMB93.8 million in 2H FY2019.

Distribution costs decreased 1.4% to RMB34.7 million in 2H FY2020 as compared to RMB35.2 million in 2H FY2019 mainly due to lower freight and transportation charges in line with lower sales, partly offset by higher employee benefit costs and higher after sales service expenses.

Administrative expenses decreased 23.3% to RMB37.7 million in 2H FY2020 as compared to RMB49.1 million in 2H FY2019 mainly due to lower employee benefit costs due to relocation exercise of Beijing Yongmao and lower bonus provision in the period under review.

Other operating expenses reported a debit balance of RMB5.1 million in 2H FY2020 from a credit balance of RMB0.5 million in 2H FY2019. The increase is mainly due to allowance of impairment for trade receivables of RMB2.1 million in 2H FY2020 as compared to reversal of the allowance of RMB3.8 million in 2H FY2019. Provision were made for certain customers whose debts were long outstanding. An additional amount for employee compensation and transportation expenses of RMB1.5 million was reported for the Beijing Yongmao's factory relocation exercise in the second half year period under review. The increase was partly offset by lower exchange loss of RMB1.8 million in 2H FY2020.

The exchange loss for 2H FY2020 arose mainly from:

- a) the weakening of Singapore Dollars ("SGD") against Chinese Yuan ("RMB") due to net RMB liabilities in the Singapore subsidiary's book; and
- b) the strengthening of USD against RMB due to net USD assets in the PRC subsidiary's book; offset by
- c) the strengthening of USD and EURO against SGD due to net USD and EURO assets in the Singapore subsidiary's book.

Finance costs decreased 18.8% to RMB8.1 million in 2H FY2020 as compared to RMB9.9 million in 2H FY2019 due mainly to lower average borrowings and lower discounting charges on early realization of letter of credit from customers in 2H FY2020.

### **Taxation**

Income tax expense decreased to RMB4.2 million in 2H FY2020 as compared to RMB11.1 million in 2H FY2019 is in line with lower profits for the financial period under review.

### **Profit before taxation and Net profit attributable to equity holders of the Company**

The Group recorded a profit before taxation of RMB8.7 million in 2H FY2020 as compared to RMB52.0 million in 2H FY2019 mainly due to lower gross profit from lower revenue.

Net profit attributable to equity holders of the Company decreased to RMB8.4 million in 2H FY2020 from RMB39.8 million in 2H FY2019. This was mainly due to lower profit before taxation, offset by tax expense.

### **Full Year FY2020 ("FY2020") vs Full Year FY2019 ("FY2019")**

#### **Revenue**

Group revenue increased by 8.7% to RMB962.4 million in FY2020 as compared to RMB885.4 million in FY2019. The increase in revenue was mainly from higher sales of tower cranes by RM40.4 million from RMB698.5 million in FY2019 to RMB738.9 million in FY2020. It was mainly driven by the demand for large and mega size tower cranes in Singapore amidst the adoption of the Prefabricated Prefinished Volumetric Construction "PPVC" method.

Sales of components also increased by RMB32.3 million. Rental and service income also increased by RMB4.2 million. The increase in rental income was mainly due to increase in rental projects in the PRC.

All sales region except for the Middle East and Others reported a higher revenue in FY2020 as compared to FY2019. Revenue in Asia (outside the PRC) has increased by RMB74.7 million from RMB333.2 million in FY2019 to RMB407.9 million in FY2020 mainly due to increase demand for higher lifting capacity tower cranes with the adoption of Prefabricated Pre-finished Volumetric Construction (PPVC) method. Revenue in the PRC increased RMB15.6 million from RMB440.6 million in FY2019 to RMB456.2 million in FY2020 resulting mainly from sales of leased tower cranes. Revenue in the USA & Europe also increased by RMB16.5 million. The increase was offset by the decrease in Middle East & Others which was lowered by RMB29.8 million amidst the disruption of supply for small and medium size tower cranes resulted from Beijing Yongmao's factory relocation exercise.

Overall, the PRC and Asia (outside the PRC) sales contributed to 47.4% and 42.4% respectively of the Group revenue in FY2020.

#### **Gross profit and gross profit margin**

In line with increase in revenue, gross profit increased by 4.3% to RMB248.8 million in FY2020 from RMB238.7 million in FY2019.

Average gross profit margin decreased to 25.9% in FY2020 from 27.0% in FY2019. The decrease was attributable to high production overhead cost absorbed during the transitional period of Beijing Yongmao factory relocation and during the first quarters of year 2020 with government containment measures implemented in the PRC with the rapid spread of the COVID-19 pandemic.

In addition, arising from the consolidation of Beijing Yongmao's plant to Fushun, the Group recorded a one-off obsolescence stocks adjustment and write off in FY2020.

### Other income

Other income increased by RMB7.4 million to RMB16.5 million in FY2020 as compared to RMB9.1 million in FY2019. The increase is mainly due to additional government grants received for the relocation of Beijing Yongmao's factory relocation in FY2020. Interest income mainly derived from deposit placed to secure trade facility also increased by RMB0.4 million. The increase was partly offset by lower compensation income of RMB0.9 million and rental income of RMB0.4 million respectively.

### Operating expenses

Total operating expenses increased 14.8% to RMB197.1 million in FY2020 as compared to RMB171.7 million in FY2019.

Distribution costs increased 14.0% to RMB79.7 million in FY2020 as compared to RMB69.9 million in FY2019 mainly due to higher freight and transportation charges, higher bonus provision, as well as higher after sales service expenses in line with higher sales.

Administrative expenses decreased 4.6% to RMB84.8 million in FY2020 as compared to RMB89.0 million in FY2019 largely due to lower employee benefit costs as lower headcounts resulted from relocation exercise of Beijing Yongmao. The decrease was partly offset by a one-off amount of RMB2.6 million was incurred for discharging our responsibility to repair and maintain a state-owned property previously enforced on Beijing Yongmao by local authority.

Other operating expenses reported a debit balance of RMB15.7 million in FY2020 from a credit balance of RMB5.6 million in FY2019. The higher operating expenses in FY2020 is mainly due to employee compensation of RMB11.4 million and property, transportation expenses of RMB4.2 million incurred for the relocation and plant and equipment written off of RMB0.7 million in regards the relocation of Beijing's manufacturing plant. In additions, allowance of impairment for trade receivables of RMB2.1 million was provided from in 2H FY2020 as compared to reversal of the allowance of RMB3.8 million in 2H FY2019. The provisions were made for certain customers whose debts were long outstanding. The increase is partially offset by exchange gain of RMB1.7 million. The credit balance in FY2019 was mainly arose from an exchange gain of RMB3.3 million.

The exchange gain for FY2020 arose mainly from:

- a) the strengthening of Singapore Dollars ("SGD") and Hong Kong Dollars ("HKD") against Chinese Yuan ("RMB") due to net RMB liabilities in the Singapore subsidiary's book and Hong Kong subsidiary's book; and
- b) the strengthening of HKD against RMB and SGD due to net HKD assets in the Company's book and the Singapore subsidiary's book; and
- c) the strengthening of USD against RMB due to net USD assets in the PRC subsidiary's book; offset by
- d) the weakening of USD and EURO against SGD due to net USD and EURO assets in the Singapore subsidiary's book.

Finance costs decreased 8.8% to RMB16.9 million in FY2020 as compared to RMB18.5 million in FY2019 as a result of lower average borrowings.

### Taxation

Income tax expense increased to RMB19.3 million in FY2020 as compared to RMB17.2 million in FY2019 despite profit before taxation for FY2020 was lower. This is mainly due to losses from Beijing Yongmao.

### Profit before taxation and Net profit attributable to equity holders of the Company

The Group recorded a profit before taxation of RMB68.3 million in FY2020 as compared to RMB76.0 million in FY2019 mainly due to higher gross profit from higher revenue, partly offset by higher operating expenses.

Net profit attributable to equity holders of the Company decreased to RMB59.7 million in FY2020 from RMB61.5 million in FY2019. This was mainly due to lower profit before taxation, offset by tax expense.

## REVIEW OF FINANCIAL POSITION OF THE GROUP

### Non-current Assets

Non-current assets increased by RMB10.3 million to RMB573.5 million as at 31 March 2020 mainly arises from net additions in property, plant and equipment ("PPE").

The increase in the PPE is due mainly to the increase in rental fleet, the increase in right-of-use ("ROU") assets and the reclassification of lease prepayment to PPE. Upon the adoption of SFRS(I) 16 Leases as explained in paragraph 5 above, ROU assets arose from rental of yard at our Hongkong subsidiary of RMB13.6 million was recognised as at 1 April 2019. During the period under review, a depreciation of RMB5.2 million pertaining to the ROU assets in relates to the above was charged to income statement.

Land use right was classified as lease prepayment under SFRS(I) 1-1as at 31 March 2019. Upon transition to SFRS(I) 16, land use right is included as part of the carrying amount of ROU assets and subject to the disclosure requirements under SFRS(I) 16. For the reporting as at 31 March 2020, the carrying amount of land use right is presented under property, plant & equipment.

Deferred tax assets decreased by RMB0.3 million. Deferred tax assets arose mainly from provisions and elimination of unrealised profits in intragroup sales.

Financial assets, at FVOCI increased with fair value gains of RMB0.2 million as at 31 March 2020.

### Current Assets

Current assets decreased by RMB0.2 million to RMB1,063.8 million as at 31 March 2020 mainly due to lower cash and cash equivalents and lower amount owing by related parties, partly offset by higher inventories and higher trade and other receivables.

Amount owing by related parties decreased by RMB15.3 million to RMB68.5 million as at 31 March 2020 due to repayment made.

Inventories increased by RMB33.6 million to RMB392.2 million as at 31 March 2020 as compared to RMB358.6 million as at 31 March 2019. This higher inventory mainly due to the postponement in deliveries of our products during the fourth quarters of FY2020 affected by the COVID-19 pandemic.

Trade and other receivables increased by RMB7.8 million to RMB432.3 million as at 31 March 2020. The increase is in line with increase in sales during the year.

### Non-current Liabilities

Non-current liabilities increased by RMB5.1 million to RMB56.4 million as at 31 March 2020 as compared to RMB51.3 million as at 31 March 2019 mainly due to the adoption of SFRS(I) 16 Leases as explained in paragraph 5 above, where lease liabilities of RMB13.6 million (including non-current and current portion) were recognised as at 1 April 2019.

Deferred tax liabilities also increased by RMB3.4 million. Deferred tax provision was mainly made for withholding tax levied on dividends of undistributed earnings of PRC subsidiaries and accelerated tax depreciation on inter-company sales of tower cranes used as rental fleet.

### Current Liabilities

Current liabilities decreased by RM41.3 million to RMB752.1 million as at 31 March 2020 as compared to RMB793.4 million as at 31 March 2019 mainly due to lower trade and other payables and lower amount owing to related parties. The decrease was partly offset by higher bank borrowings and higher tax payable.

Trade and other payables decreased by RMB53.3 million mainly due to lower advance from customers and lower bill payables, partly offset by higher trade payables and accruals.

Amount owing to related parties decreased from RMB18.6 million in 31 march 2019 to RMB9.6 million in 31 March 2020 was due to repayment made during the period.

### Total Equity

As at 31 March 2020, the Group's total equity amounted to RMB828.9 million. The increase was mainly due to total comprehensive income of RMB58.0 million for FY2020, partly offset by dividends paid in Q2 FY2020.

## REVIEW OF CASH FLOW STATEMENT

### **2H FY2020 vs 2H FY2019**

The Group reported a net increase in cash and cash equivalents amounting to RMB24.5 million in 2H FY2020 mainly due to:

- a) Net cash from operating activities of RMB0.7 million resulted mainly from operating profit before working capital changes and decrease in operating receivables, partly offset by increase in inventories, decrease in operating payables, interest and taxes paid;
- b) Net cash used in investing activities of RMB23.6 million mainly from acquisition of rental fleet in Hongkong and Cambodia subsidiaries; and
- c) Net cash used in financing activities of RMB47.4 million mainly from net proceeds from bank borrowings and finance lease creditors, higher restricted bank balances, capital injection by non-controlling interest and receipts from related parties, partly offset repayment of lease liabilities.

### **Full Year FY2020 vs Full Year FY2019**

The Group reported a net decrease in cash and cash equivalents amounting to RMB17.0 million in Full Year FY2020 mainly due to:

- a) Net cash generated from operating activities in Full Year FY2020 of RMB8.1 million resulted mainly from operating profit before working capital changes and decrease in operating receivables, partly offset by increase in inventories, decrease in operating payables and interest and taxes paid;
- b) Net cash used in investing activities of RMB23.7 million mainly from acquisition of rental fleet in Hongkong and Cambodia subsidiaries, partly offset by interest received and the proceeds from disposal of property, plant and equipment; and
- c) Net cash used in financing activities of RMB1.4 million mainly from repayment of lease liabilities, repayment to related parties and a director and dividend paid to shareholders of the company; partly offset by net proceeds from bank borrowings and finance lease creditors, higher restricted bank balances, capital injection by non-controlling interests.

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

The Group's result was in line with the announcement released on SGX-ST on 8 June 2020.

**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.**

The Covid-19 outbreak in January 2020 halted economic activities in the PRC and disrupted global supply chains. Amidst the covid-19 pandemic, strict government containment measures were implemented in the PRC in the first quarter of 2020 to contain the spread of Covis-19 including city lockdown, travel restrictions, quarantine measures. The resulting restrictions on the movement of goods, services and manpower in the PRC adversely affected our Group's production and operations. Subsequently, similar government containment measures and restrictions of movements was also implemented in many countries globally. The effect of these government containment measures meant that the business operations of many of our local and overseas customers and freight forwarders were also inadvertently disrupted, resulting in delays and/or postponement of deliveries of our products to them. Our production plants in the PRC has resumed production on 10 February 2020 upon approval obtained from the local authority.

The Covid-19 outbreak is expected to dampen growth prospects for 2020. The Group has continued to experience lower sales in the recent months. The financial performance of the Group for the first half of FY2021 is expected to be lower as compared to the corresponding period in FY2020. While many countries have begun to loosen its containment measures gradually, the situation is still evolving. The Covid-19 pandemic continues to rage on in certain countries while in some other countries where the number of cases were reported to have reduced previously, they experienced a spike up in the number of Covid-19 cases recently. Further measures may be put in place by authorities in countries where our Group operates in and/or sell to. The Group will continue to monitor the situation and assess the overall impact on our Group's businesses.

The Group remains vigilant and committed in exercising cost discipline and will take necessary remedial actions, where possible.

The Company will continue to provide updates on material developments relating to the Company and the Group, as and when appropriate.

**11. If a decision regarding dividend has been made**

**(a) Whether an interim (final) ordinary dividend had been declared (recommended); and**

Yes

**(b) (i) Amount per share (cents)**

The Board of Directors is proposing a first and final dividend of One (1) Singapore cent per ordinary share, for approval by shareholders at the forthcoming Annual General Meeting to be convened.

**(ii) Previously correspondence period (cents)**

The Board of Directors have proposed a first and final dividend of Three (3) Singapore cent per ordinary share which was subsequently approved at the Annual General Meeting held on 29 July 2019.

**(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

The dividend is tax exempt one-tier.

**(d) The date the dividend is payable**

To be advised at a later date.

**(e) The date on which Registrable Transfers received by the company (up to 5:00pm) will be registered before entitlements to the dividend payable.**

To be advised at a later date.

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

Not applicable.

**13. If the Group has obtained a general mandate from the 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.**

| Name of Interested Person                                                           | Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) | Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) |
|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                     | 12 months ended<br>31 Mar 2020<br>(FY2020)<br>RMB'000                                                                                                                                                                 | 12 months ended<br>31 Mar 2020<br>(FY2020)<br>RMB'000                                                                                                                                                |
| <b>Sales to interested persons</b>                                                  |                                                                                                                                                                                                                       |                                                                                                                                                                                                      |
| China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd.<br>(中核华兴达丰机械租赁有限公司) | -                                                                                                                                                                                                                     | 3,503                                                                                                                                                                                                |
| Jiangsu Hengxingmao Financial Leasing Co., Ltd.<br>(江苏恒兴茂融资租赁有限公司)                  | -                                                                                                                                                                                                                     | 58,047                                                                                                                                                                                               |
| Jiangsu Zhongjian Tat Hong Equipment Rental Co., Ltd.<br>(江苏中建达丰机械租赁有限公司)           | -                                                                                                                                                                                                                     | 681                                                                                                                                                                                                  |
| Liaoning Yongmao Hydraulic Machinery Co., Ltd<br>(辽宁永茂液压机械有限公司)                     | 1,480                                                                                                                                                                                                                 | -                                                                                                                                                                                                    |
| Beijing Weiteng Special Purpose Auto Co., Ltd.<br>(北京威腾专用汽车有限责任公司)                  | 513                                                                                                                                                                                                                   | -                                                                                                                                                                                                    |
| <b>Purchases from related parties</b>                                               |                                                                                                                                                                                                                       |                                                                                                                                                                                                      |
| Fushun Yongmao Industry and Trade Co., Ltd<br>(抚顺市永茂工贸发展有限公司)                       | -                                                                                                                                                                                                                     | 815                                                                                                                                                                                                  |
| China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd.<br>(中核华兴达丰机械租赁有限公司) | 972                                                                                                                                                                                                                   | -                                                                                                                                                                                                    |
| <b>Rental charged by related party</b>                                              |                                                                                                                                                                                                                       |                                                                                                                                                                                                      |
| Fushun Yongmao Engineering Machinery Co., Ltd.<br>(抚顺永茂工程机械有限公司)                    | 3,000                                                                                                                                                                                                                 | -                                                                                                                                                                                                    |
| <b>Rental charged by a director</b>                                                 | 809                                                                                                                                                                                                                   | -                                                                                                                                                                                                    |

**14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)**

Not applicable

**15. Confirmation of Undertakings of Directors and Executive Officers Pursuant to Rule 720(1) of the Listing Manual**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

(This part is not applicable to Q1, Q2, 2H or Half Year Results)

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

**Operating segments**

Management manages and monitors the business in the two primary geographical areas of operations namely, 1) the PRC and 2) Hong Kong and Macau. The following summary describes the operations in each of the Group's reportable operating segments:

|                     |   |                                                                                                                                            |
|---------------------|---|--------------------------------------------------------------------------------------------------------------------------------------------|
| The PRC             | : | Engaged predominantly in the manufacture and sale, with some rental and servicing of towercranes and towercrane components and accessories |
| Hong Kong and Macau | : | Engaged predominantly in the rental and servicing, with some sale of towercranes and towercrane components and accessories                 |
| All other segments  | : | Included corporate functions and the sale and servicing of towercranes and towercrane components and accessories in Singapore.             |

|                                                | <b>The PRC<br/>RMB'000</b> | <b>Hong Kong<br/>and Macau<br/>RMB'000</b> | <b>All other<br/>segments<br/>RMB'000</b> | <b>Total<br/>RMB'000</b> |
|------------------------------------------------|----------------------------|--------------------------------------------|-------------------------------------------|--------------------------|
| <b>2020</b>                                    |                            |                                            |                                           |                          |
| <b>Sales</b>                                   |                            |                                            |                                           |                          |
| Total segment sales                            | 921,324                    | 113,269                                    | 287,432                                   | 1,322,025                |
| Inter-segment sales                            | (361,855)                  | 4,786                                      | (2,604)                                   | (359,673)                |
| Sales to external parties                      | 559,469                    | 118,055                                    | 284,828                                   | 962,352                  |
| Reportable segment profit<br>before income tax | 21,355                     | 10,340                                     | 36,584                                    | 68,279                   |

|                                                |           |         |         |           |
|------------------------------------------------|-----------|---------|---------|-----------|
| <b>2019</b>                                    |           |         |         |           |
| <b>Sales</b>                                   |           |         |         |           |
| Total segment sales                            | 974,979   | 111,839 | 211,118 | 1,297,936 |
| Inter-segment sales                            | (422,392) | 9,869   | -       | (412,523) |
| Sales to external parties                      | 552,587   | 121,708 | 211,118 | 885,413   |
| Reportable segment profit<br>before income tax | 42,708    | 8,433   | 24,897  | 76,038    |

Revenue information based on geographical location of customers is as follows:

| <b>Revenue</b> | <b>PRC<br/>RMB'000</b> | <b>Asia<br/>(outside the<br/>PRC)<br/>RMB'000</b> | <b>USA &amp; Europe<br/>RMB'000</b> | <b>Middle East<br/>&amp; Others<br/>RMB'000</b> | <b>Consolidated<br/>RMB'000</b> |
|----------------|------------------------|---------------------------------------------------|-------------------------------------|-------------------------------------------------|---------------------------------|
| <b>FY2020</b>  |                        |                                                   |                                     |                                                 |                                 |
| - 2H           | 137,352                | 207,590                                           | 10,030                              | 28,716                                          | 383,688                         |
| - Full Year    | 456,172                | 407,867                                           | 28,362                              | 69,951                                          | 962,352                         |
| <b>FY2019</b>  |                        |                                                   |                                     |                                                 |                                 |
| - 2H           | 236,894                | 203,256                                           | 6,558                               | 50,696                                          | 497,404                         |
| - Full Year    | 440,599                | 333,180                                           | 11,862                              | 99,772                                          | 885,413                         |

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

See Paragraph 8.

**18. A breakdown of sales and profit after taxation**

|                                                                               | Group   |         | %                       |
|-------------------------------------------------------------------------------|---------|---------|-------------------------|
|                                                                               | RMB'000 |         |                         |
|                                                                               | FY2020  | FY2019  | Increase/<br>(Decrease) |
| Revenue                                                                       |         |         |                         |
| - First Half                                                                  | 578,664 | 388,009 | 49.1                    |
| - Second Half                                                                 | 383,688 | 497,404 | (22.9)                  |
| Operating profit after taxation before deducting<br>Non-controlling interests |         |         |                         |
| - First Half                                                                  | 44,466  | 17,921  | 148.1                   |
| - Second Half                                                                 | 4,495   | 40,885  | (89.0)                  |

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

|                           | Latest Full Year<br>(S\$) | Previous Full Year<br>(S\$) |
|---------------------------|---------------------------|-----------------------------|
| Ordinary – proposed final | 887,500                   | 2,662,500                   |

**20. Disclosure of person occupying a managerial position in the issuer or any of 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). If there are no such persons, the issuer must make an appropriate negative statement.**

| Name         | Age | Family relationship with any director, CEO and/or substantial shareholder | Current position and duties, and the year the position was first held                                                                                                                        | Details of changes in duties and position held, if any, during the year |
|--------------|-----|---------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
| Sun Zhao Lin | 64  | Father of Sun Tian and spouse of Tian Ruo Nan                             | Executive Chairman, 2005<br><br>Responsible for the formulation and execution of overall business strategy and policies and future direction as well as the overall management of the Group. | N.A.                                                                    |
| Tian Ruo Nan | 64  | Spouse of Sun Zhao Lin and mother of Sun Tian                             | Chief Executive Officer, 2007<br><br>Responsible for and oversees the day-to-day management of the Group.                                                                                    | N.A.                                                                    |
| Sun Tian     | 38  | Son of Sun Zhao Lin and Tian Ruo Nan                                      | Executive Director, 2009<br><br>Group General Manager, 2012<br>Assist the Chief Executive Officer in the management of Group's business.                                                     | N.A.                                                                    |
| Tian Hao     | 39  | Nephew of Sun Zhao Lin and Tian Ruo Nan                                   | Sales Manager of Beijing Yongmao, 2006<br><br>Responsible for the sales and marketing operations of Beijing Yongmao.                                                                         | N.A.                                                                    |

BY ORDER OF THE BOARD

Tian Ruo Nan  
Chief Executive Officer  
17 July 2020