



CHINA BEARING (SINGAPORE) LTD.
 (Company Registration Number 200512048E)
 (Incorporated in Singapore)

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2016

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

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

Note	Group					
	3-month period ended 30 June			6-month period ended 30 June		
	2016	2015	Increase/ (Decrease)	2016	2015	Increase/ (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Continuing operation						
Revenue	-	-	n.m.	-	-	n.m.
Cost of sales	-	-	n.m.	-	-	n.m.
Gross profit	-	-	n.m.	-	-	n.m.
Other operating income	-	-	n.m.	-	-	n.m.
Distribution costs	-	-	n.m.	-	-	n.m.
Administrative expenses	(567)	(452)	25.4	(1,046)	(972)	7.6
Loss before taxation	(567)	(452)	25.4	(1,046)	(972)	7.6
Taxation	-	-	n.m.	-	-	n.m.
Loss before taxation	(567)	(452)	25.4	(1,046)	(972)	7.6
Discontinued operation						
Loss from discontinued operation, net of tax	(a) -	(7,342)	n.m.	-	(6,138)	n.m.
Loss, net of tax	(567)	(7,794)	(92.7)	(1,046)	(7,110)	(85.3)
Other comprehensive income, net of tax	-	-		-	-	
Total comprehensive loss	(567)	(7,794)	(92.7)	(1,046)	(7,110)	(85.3)
Loss per share (RMB cent)						
<u>From continuing operation</u>						
- Basic	(0.21)	(0.16)		(0.38)	(0.35)	
- Diluted	(0.21)	(0.16)		(0.38)	(0.35)	
<u>From discontinued operation</u>						
- Basic	-	(2.66)		-	(2.22)	
- Diluted	-	(2.66)		-	(2.22)	

Note (a)

	Group					
	3-month period ended 30 June			6-month period ended 30 June		
	2016	2015	Increase/ (Decrease)	2015	2015	Increase/ (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	-	21,218	n.m.	-	47,790	n.m.
Cost of sales	-	(24,910)	n.m.	-	(46,549)	n.m.
Gross (Loss)/Profit	-	(3,692)	n.m.	-	1,241	n.m.
Other operating expenses	-	(833)	n.m.	-	(499)	n.m.
Distribution costs	-	(667)	n.m.	-	(1,303)	n.m.
Administrative expenses	-	(2,757)	n.m.	-	(5,783)	n.m.
Loss before taxation	-	(7,949)	n.m.	-	(6,344)	n.m.
Taxation	-	607	n.m.	-	206	n.m.
Loss after taxation	-	(7,342)	n.m.	-	(6,138)	n.m.
Other comprehensive income, net of tax	-	-		-	-	
Total comprehensive loss	-	(7,342)	n.m.	-	(6,138)	n.m.

The loss before taxation of the group is arrived at after (charging)/crediting the following:

	Group			
	3-month period ended 30 June		6-month period ended 30 June	
	2016	2015	2016	2015
	RMB'000	RMB'000	RMB'000	RMB'000
<u>From continuing operation</u>				
Depreciation of plant and equipment	-	-	-	(1)
Foreign exchange loss	(84)	-	(95)	-
<u>From discontinued operation</u>				
Interest income	-	66	-	135
Depreciation of property, plant and equipment	-	(896)	-	(1,683)
Amortisation of land use right	-	(43)	-	(58)
Loss on disposal of property, plant and equipment	-	(687)	-	(687)
(Allowance)/Reversal of inventories written down	-	(327)	-	(327)

1(b)(i) A statements 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	
	30 June 16 RMB'000	31 Dec 15 RMB'000
Non-Current Assets		
Property, plant and equipment	-	-
	-	-
Current Assets		
Prepayments	61	-
Cash and bank balances	59,586	61,881
	59,647	61,881
Total Assets	59,647	61,881
Capital and Reserves		
Share capital	125,769	125,769
Accumulated losses	(66,597)	(65,551)
Total equity	59,172	60,218
Current Liabilities		
Other payables and accruals	475	1,663
Total liabilities	475	1,663
Total Equity and Liabilities	59,647	61,881

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

Amount repayable in one year or less, or on demand

As at 30 June 2016		As at 31 Dec 2015	
Secured (RMB'000)	Unsecured (RMB'000)	Secured (RMB'000)	Unsecured (RMB'000)
NA	NA	NA	NA

Amount repayable after one year

As at 30 June 2016		As at 31 Dec 2015	
Secured (RMB'000)	Unsecured (RMB'000)	Secured (RMB'000)	Unsecured (RMB'000)
NA	NA	NA	NA

Details of any collateral

Not Applicable.

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

	Group			
	3-month period from Apr to June		6-month period from Jan to June	
	2016 RMB'000	2015 RMB'000	2016 RMB'000	2015 RMB'000
Cash flows from operating activities:				
Loss before taxation				
From continuing operation	(567)	(452)	(1,046)	(972)
From discontinued operation	-	(7,950)	-	(6,344)
	(567)	(8,402)	(1,046)	(7,316)
Adjustments for:				
Depreciation of property, plant and equipment	-	896	-	1,683
Amortisation of land use rights	-	43	-	58
Loss / (Gain) on disposal of property, plant and equipment	-	687	-	687
Interest income	-	(66)	-	(135)
Allowance / (Reversal) of inventories written down	-	327	-	327
Operating cash flow before working capital changes	(567)	(6,515)	(1,046)	(4,696)
Decrease / (Increase) in inventories	-	5,168	-	7,379
(Increase) / Decrease in receivables	(61)	(16,828)	(61)	(12,266)
(Decrease) / Increase in payables	(1,666)	(5,352)	(1,188)	(11,638)
Cash used in operations	(2,294)	(23,527)	(2,295)	(21,221)
Income tax paid	-	(1,833)	-	(1,833)
Net cash used in operating activities	(2,294)	(25,360)	(2,295)	(23,054)
Cash flows from investing activities:				
Payment for acquisition of property, plant and equipment	-	-	-	(500)
Proceeds from disposal of property, plant and equipment	-	180	-	180
Interest received	-	66	-	135
Net cash generated from / (used in) investing activities	-	246	-	(185)
Cash flows from financing activity:				
Repayment to related parties	-	(10,184)	-	(10,184)
Net cash generated used in financing activity	-	(10,184)	-	(10,184)
Net decrease in cash and cash equivalents	(2,294)	(35,298)	(2,295)	(33,423)
Cash and cash equivalents at beginning of the period	6,187	82,480	6,188	80,605
Cash and cash equivalents at end of the period	3,893	47,182	3,893	47,182

For the purpose of presentation in the consolidated statement of cash flows, the cash and cash equivalents comprise the following:

	2016 RMB'000	2015 RMB'000
Cash on hand	-	14
Bank balances	3,893	47,168
Restricted deposit	55,693	-
Cash and bank balances	<u>59,586</u>	<u>47,182</u>

- 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	Statutory Common Reserve	Accumulated Losses	Total
(RMB'000)				
2016				
Balance at 1 Jan 2016	125,769	-	(65,551)	60,218
Loss for the period	-	-	(1,046)	(1,046)
Total comprehensive loss for the period	-	-	(1,046)	(1,046)
Balance as at 30 June 2016	<u>125,769</u>	<u>-</u>	<u>(66,597)</u>	<u>59,172</u>
2015				
Balance at 1 Jan 2015	125,769	28,284	(35,605)	118,448
Loss for the period	-	-	(7,110)	(7,110)
Total comprehensive loss for the period	-	-	(7,110)	(7,110)
Balance as at 30 June 2015	<u>125,769</u>	<u>28,284</u>	<u>(42,715)</u>	<u>111,338</u>

	Company		
	Share Capital	Accumulated Losses	Total
(RMB'000)			
2016			
Balance as at 1 Jan 2016	125,769	(65,551)	60,218
Loss for the period	-	(1,046)	(1,046)
Total comprehensive loss for the period	-	(1,046)	(1,046)
Balance as at 30 June 2016	<u>125,769</u>	<u>(66,597)</u>	<u>59,172</u>
2015			
Balance as at 1 Jan 2015	125,769	(16,894)	108,875
Loss for the period	-	(971)	(971)
Total comprehensive loss for the period	-	(971)	(971)
Balance as at 30 June 2015	<u>125,769</u>	<u>(17,865)</u>	<u>107,904</u>

- 1(d)(ii) Details of any changes in the company's share capital arising from right issue, bonus issue, share buy-backs, exercise of share option 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 also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares 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.**

There are no changes to the share capital of the Company since 31 December 2015.

The Company has no outstanding convertibles or treasury shares as at 30 June 2016 and 30 June 2015.

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.

	Group		Company	
	30 June 16	31 Dec 15	30 June 16	31 Dec 15
Total number of issued shares	276,000,000	276,000,000	276,000,000	276,000,000
Less: Treasury shares	-	-	-	-
Total number of issued shares excluding treasury shares	276,000,000	276,000,000	276,000,000	276,000,000

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

The Company has no treasury shares as at 30 June 2016.

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

The figures have not been audited nor reviewed by the auditors.

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

The figures have not been audited nor reviewed by our auditors.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ("FY") ended 31 December 2015.

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 reason for, and the effect of, the change.

The Group has adopted the amended Financial Reporting Standard ("FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2016, where applicable.

The directors do not anticipate that the adoption of the amended FRS will have a material impact on the financial statements of the Group and the Company in the period of their initial adoption.

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

	Group			
	3-month period ended 30 June		6-month period ended 30 June	
	2016	2015	2016	2015
Net loss for the period (RMB'000)				
- Continuing operation	(567)	(452)	(1,046)	(972)
- Discontinued operation	-	(7,342)	-	(6,138)
<u>Continuing operation</u>				
Basic loss per share (RMB cent)	(0.21)	(0.16)	(0.38)	(0.35)
Diluted loss per share (RMB cent)	(0.21)	(0.16)	(0.38)	(0.35)
<u>Discontinued operation</u>				
Basic loss per share (RMB cent)	-	(2.66)	-	(2.22)
Diluted loss per share (RMB cent)	-	(2.66)	-	(2.22)

Explanatory notes:

Loss per share is calculated based on the Group's loss after taxation divided by the issued share capital of the Company of 276,000,000 (2015: 276,000,000) shares for the period under review.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:

- (a) current financial year reported on; and
- (b) immediately preceding financial year.

	Group/Company	
	30 June 16	31 Dec 15
Net Asset Value per share (RMB cents)	21.4	21.8

The net asset value per ordinary share of the Group and the Company as at 30 June 2016 and 31 December 2015 were calculated based on the issued share capital of the Company of 276,000,000 shares as at 30 June 2016 and 31 December 2015.

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 Performance

The Company had in December 2015 completed the disposal of its principal and wholly-owned subsidiary (the "Disposal"). Following the Disposal, the Company became a cash company under Rule 1018 of the SGX-ST Listing Manual.

Q2FY2016 vs Q2FY2015

Administrative expenses recorded a marginal increase of RMB 0.1 million or 25.4% from RMB 0.5 million in second quarter ended 30 June 2015 ("Q2FY2015") to RMB 0.6 million in second quarter ended 30 June 2016 ("Q2FY2016"). This was mainly due to increase in insurance expenses.

As a result of higher administrative expenses, the Group recorded a loss before tax of RMB 0.6 million for Q2FY2016, as compared to loss before tax of RMB 0.5 million for Q2FY2015.

1HFY2016 vs 1HFY2015

The Company recorded administrative expenses of RMB 1.0 million for 6 months ended 30 June 2016 ("1HFY2016") and for 6 months ended 30 June 2015 ("1HFY2015").

As a result of the Disposal, the Company does not have any operations in 1HFY2016. Hence, comparison of the results from discontinued operation in 1HFY2015 is not meaningful.

The Company recorded a loss after tax of RMB 1.0 million for 1HFY2016.

Review of Balance Sheet

The asset of the Company comprises mainly cash and cash equivalent of approximately RMB 59.6 million of which RMB 55.7 million represents restricted deposit placed in an escrow account.

Other payable and accruals comprise mainly accruals of directors' fee and statutory expenses.

Review of Cash Flow Statement

Q2FY2016 vs Q2FY2015

For Q2FY2016, the Company recorded net cash outflow of RMB 2.3 million from operating activities compared to net cash outflow of RMB 25.4 million in Q2FY2015. This was due to lower loss incurred in Q2FY2016 after the Disposal.

The Company recorded cash and cash equivalent of RMB 3.9 million, excluding restricted deposit of RMB 55.7 million which was placed in an escrow account for Q2FY2016.

1HFY2016 vs 1HFY2015

For 1HFY2016, the Company recorded net cash outflow of RMB 2.3 million from operating activities compared to net cash outflow of RMB 23.1 million in 1HFY2015. This was due to lower loss incurred in 1HFY2016 after the Disposal.

The Company recorded cash and cash equivalent of RMB 3.9 million, excluding restricted deposit of RMB 55.7 million which was placed in an escrow account for Q1FY2016.

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

No forecast or prospect statement previously disclosed.

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 Company is currently dormant and is considering various available options including new business acquisitions. Announcements on material developments will be made as and when appropriate. Shareholders should however note there is no certainty that the Company will not be delisted after a period of 12 months in accordance with Rule 1018(2) of the Listing Manual.

11. If a decision regarding dividend has been made

(a) Whether an interim (final) ordinary dividend has been declared (recommended).

None.

(b) (i) Amount per share

Not Applicable.

(ii) Previous corresponding period

Not Applicable.

(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)

Not Applicable.

(d) The date the dividend is payable

Not Applicable.

- (e) **The date on which Registrable Transfers received by the company (up to 5.00 p.m.) will be registered before entitlements to the dividend are determined.**

Not Applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

The Board of Directors of the Company does not recommend that a dividend be paid for the period ended 30 June 2016.

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

Pursuant to Rule 920(1)(a)(ii) of the Listing Manual, the details of the aggregate value of interest person transactions conducted for the financial year from 1 January 2016 to 30 June 2016:

	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than RMB 493,000 (S\$ 100,000) and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than RMB 493,000 (S\$ 100,000))
Name of interested person	RMB'000	RMB'000
Total	Nil	Nil

Note: There was interested person transaction occurring during the period but the individual transaction was less than RMB 493,000 (S\$100,000).

The Company does not have a general mandate from shareholders for interested person transactions.

14. Negative Confirmation Pursuant to Rule 705(5) of the SGX-ST Listing Manual

The Directors confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited consolidated financial results of China Bearing (Singapore) Ltd for the financial period ended 30 June 2016 to be false or misleading in any material aspect.

15. Undertaking Confirmation Statement from all its directors and executive officers under Rule 720(1)

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

On behalf of the Board of Directors

Lim Kean Tin
Director
10 August 2016

Tan Kah Ghee
Director