

**The Board of Directors of China Haida Ltd. is pleased to announce the unaudited consolidated results of the Group for the period ended 31 December 2020 (“FY2020”).**

### **Introduction**

The global outbreak of COVID-19 has caused, among others, unprecedented business, economic, financial and social disruptions to many entities and individuals around the world. As per the Company’s announcement on 7 December 2020, the Company’s wholly-owned subsidiary, Jiangyin Litai Ornamental Materials Co., Ltd (“Litai”) has resumed part of its operations. On 26 February 2021, the Company made an announcement to further update shareholders of legal and enforcement proceedings against Litai based on a report issued by GFE Law Office, a law firm based in the People’s Republic of China (“GFE Legal Report”). As the information contained in the GFE Legal Report is not complete, the Company has been in constant contact with certain key management and finance personnel from Litai (other than Litai’s legal representative, Mr Xu Youcai) (“Litai’s Team”) to obtain additional information and supporting documents surrounding legal proceedings against Litai as well as information for the preparation of the unaudited consolidated results for the Group for FY2020. However, Litai’s Team was not able to fully provide the requested information as most of the information and supporting documents (especially those surrounding Litai’s legal proceedings) are withheld by Mr Xu Youcai. Mr Xu Youcai has not been responsive to queries and requests raised by the Company. The Chinese government has also implemented travel restrictions on foreign travelers.

Accordingly, the Company has been unable to obtain all relevant and pertinent information, documents and/or explanations from Litai to accurately complete and finalise the financial statements of the Group for FY2020 (“FY2020 Financial Results”) and to address the issues (such as limitation of scope, impairment assessment of the property, plant and equipment and right-of-use assets of the Group, litigation and claims and going-concern) raised in the Disclaimer of Opinion by the Independent Auditor, Crowe Horwath First Trust LLP, for the audit of the financial statements of the Company and Litai (the “Group”) for the financial year ended 31 December 2019.

Consequently, the Company is constrained to prepare and report the FY2020 Financial Results to the best of its knowledge using financial figures obtained from Litai’s Team. The Company is therefore unable to ascertain whether the figures provided by Litai’s Team would be an accurate representation of Litai’s financials due to information or supporting documents which have not been forthcoming from Mr Xu Youcai.

**Shareholders and potential investors are advised to read or use the FY2020 Financial Results with caution, especially having regard to the limitations and qualifications outlined above.** The Company will make further announcements as and when any material information relating to the FY2020 Financial Results is subsequently available.

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

- 1(a) A statement of profit or loss and other comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
*(Amounts expressed in thousands of Chinese*
*Renminbi ("RMB") currency)*

These figures have not been audited

**Revenue**

Cost of sales

**Gross (loss)/profit**

Gross (loss)/profit margin

Other operating (loss)/ income

Selling and distribution expenses

Administrative expenses

**Loss from operations**

Finance costs

Write down in inventory to net realisable value

Provision for courts' enforcement cases

Allowance of impairment loss on assets due to courts' enforcement cases

Allowance of impairment loss on financial asset, net

**Loss before taxation**

Taxation

**Loss after taxation**
**Other comprehensive loss:**

Currency translation differences

**Total comprehensive loss attributable to equity holders of the company**

THE GROUP		
1 Jan 20 to 31 Dec 20 FY2020	1 Jan 19 to 31 Dec 19 FY2019	Variance Increase / (Decrease)
RMB'000	RMB'000	%
30,668	207,783	(85.2)%
(36,463)	(189,037)	(80.7)%
<b>(5,795)</b>	<b>18,746</b>	<b>(130.9)%</b>
-18.9%	9.0%	(27.9)%
(3,251)	1,568	(307.3)%
(1,088)	(2,802)	(61.2)%
(19,387)	(19,861)	(2.4)%
<b>(29,521)</b>	<b>(2,349)</b>	1,156.8 %
(764)	(1,044)	(26.8)%
(9,401)	-	NM
(15,810)	-	NM
(51,799)	-	NM
(74,124)	(48,360)	53.3 %
<b>(181,419)</b>	<b>(51,753)</b>	<b>250.5 %</b>
-	944	NM
<b>(181,419)</b>	<b>(50,809)</b>	<b>257.1 %</b>
(28)	138	(120.3)%
<b>(181,447)</b>	<b>(50,671)</b>	<b>258.1 %</b>

**Explanatory Notes**

**A Loss before taxation**

The following items have been included in arriving at a loss before taxation:

		<b>THE GROUP</b>	
		<b>1 Jan 20 to 31 Dec 20 FY 2020 RMB '000</b>	<b>1 Jan 19 to 31 Dec 19 FY 2019 RMB '000</b>
	Note		
Other Operating (loss)/ income:			
- Interest income on bank deposits	(1)	40	60
- Sales of scraps and raw materials	(2)	(3,592)	831
- Government grant / incentive	(3)	252	425
- Foreign exchange gain, net	(4)	-	252
- Others		49	-
		<b>(3,251)</b>	<b>1,568</b>
Foreign exchange (loss)/gain, net	(4)	(525)	252
Interest expenses	(5)	(764)	(1,044)
Write down in inventory to net realisable value	(6)	(9,401)	-
Allowance for impairment loss on assets due to courts' enforcement cases	(7) (a)	(51,799)	-
Provision for courts' enforcement cases	(7) (b)	(15,810)	-
Allowance for impairment loss on financial asset, net	(8)	(74,124)	(48,360)
Amortisation of lease prepayments		(300)	(302)
Depreciation of property, plant and equipment (PPE)	(9)	(4,499)	(4,830)
Loss on disposal of PPE		(181)	-
PPE written off		(30)	-

**Note**

- (1) Interest income on bank deposits for FY2020 was lower as compared to FY2019. This is consistent with the decline in average cash and bank balances in FY2020.
- (2) Sales of scrap and raw materials resulted in a loss of RMB 3.6 million in FY2020 as compared to a gain of RMB 0.8 million in FY2019. Litai sold raw materials and scrap to third parties with an average discount of around 35% in FY2020 as a result of the negative impact from the COVID-19 pandemic on its business. The sale of scrap and raw materials also enabled Litai to shore up its cash reserve in the form of bank drafts from customers (银行承兑汇票).
- (3) This comprised of the following:

	<b>FY2020 RMB'000</b>	<b>The Group FY2019 RMB'000</b>
(i) Government grant to Litai from the treasury payment center/office of Jiangyin City*	91	425
(ii) Employment credit incentive given by the Singapore government	161	-
<b>Total</b>	<b>252</b>	<b>425</b>

\* - For FY2020, Litai received grants of RMB 0.1 million from the treasury payment center/office of Jiangyin Litai for export and export insurance subsidies.

- (4) The Group incurred foreign exchange loss (net) of RMB 0.5 million in FY2020 as compared to foreign exchange gain (net) of RMB 0.3 million in FY2019. The foreign exchange loss (net) of RMB 0.5 million in FY2020 arose mainly from the revaluation of foreign denominated trade receivables (denominated mainly in USD) as RMB strengthens against most currencies such as the USD, SGD and others, etc.
- (5) Interest expense for FY2020 was lower as compared to FY2019. This was mainly due to lower average short-term bank loans balances in FY2020 as compared to FY2019. The weighted average interest rate of 3.99% per annum remained the same as the previous period.
- (6) Litai wrote down the value of inventory to net realizable value by RMB 9.4 million in September 2020 as a result of the negative impact of the COVID-19 pandemic on its business. Accordingly, slow-moving inventory was written down to their net realizable value.
- (7) Allowance for impairment loss on assets due to court's enforcement cases and provision for courts' enforcement cases, totalled RMB 67.6 million, in FY2020 is related to enforcement cases surrounding Litai (based on the GFE Legal Report and announced on 26 February 2020).

As highlighted in the Introduction, information provided in the GFE Legal Report is not complete and, as at the date of this announcement, the Company does not have complete information on all the enforcement cases surrounding Litai. Nevertheless, provision for courts' enforcement cases has been made based on the detail court's rulings available in the GFE Legal Report. The detailed court's rulings contained information on the court's judgement on the amounts that the enforced parties should settled with the enforcement applicant and, when the enforced parties do not have sufficient cash to satisfy the enforcement liabilities, the class of assets of the enforced parties was seized by the courts and made available to the enforcement applicant. Accordingly, allowance for impairment loss has been made up to the book value or net book value of the class of assets (as at 31 December 2020) which have been enforced by the court. In addition, provision for courts' enforcement cases have been made.

(a) Allowance for impairment loss due to courts' enforcement cases:

	<b>The Group</b>	
	<b>FY2020</b>	<b>FY2019</b>
	<b>RMB'000</b>	<b>RMB'000</b>
(i) Allowance for impairment loss on frozen bank accounts	3,487	-
(ii) Allowance for impairment loss on net realizable value of inventory*	3,710	-
(iii) Allowance for impairment loss on net book value of lease prepayment*	9,911	-
(iv) Allowance for impairment loss on net book value of property, plant and equipment*	34,691	-
Impairment loss on assets under courts' enforcement cases	51,799	-

(b) Provision for courts' enforcement cases:

	<b>The Group</b>	
	<b>FY2020</b>	<b>FY2019</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Provision for courts' enforcement cases*	15,810	-

Due to the lack of information, the amount of allowance for impairment loss on assets under courts' enforcement cases and provision for courts' enforcement cases provided in this announcement may not be sufficient. In addition, based on certain courts' enforcement rulings, Litai may be liable to late interests and penalties payable to certain enforcement applicants. However, due to the lack of information, provision for these late interests and penalties has not been quantified and provided for. The Company shall provide updates on the amount of provision for courts' enforcement cases as and when information becomes available.

Please refer to paragraphs below for explanation on the class of assets that has been enforced by the courts.

\* - Please also refer to Appendix 1(b) for computation of provision for courts' enforcement cases.

- (8) For FY2020, there was a net impairment loss on financial assets of approximately RMB 74.1 million (FY2019: RMB48.3 million), as follows:

	<b>The Group</b>	
	<b>FY2020</b>	<b>FY2019</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Allowance during the financial period:		
- Trade receivables	(24,201)	(8,396)
- Due from related parties (trade)	(13,929)	(13,818)
- Advance payments to a related party (trade)	(26,555)	(25,575)
- Other receivables, deposits and prepayments	(9,560)	-
- Under ECL model	-	(1,280)
Write back during the financial period	121	790
	<u>74,124</u>	<u>(48,279)</u>

Please refer to Appendix 2 for computation of impairment loss on financial assets for FY2020.

- (9) Lower depreciation was recorded for FY2020 which was attributed mainly to certain assets which had been fully depreciated during the period under review.

**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.**

**STATEMENTS OF FINANCIAL POSITION**  
(Amounts expressed in thousands of Chinese Renminbi ("RMB") currency)

	THE GROUP		THE COMPANY	
	As at 31 Dec 20	As at 31 Dec 19	As at 31 Dec 20	As at 31 Dec 19
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Audited	Unaudited	Audited
<b>Non-current assets</b>				
Property, plant and equipment (1)	-	39,781	-	647
Investment in a subsidiary (2)	-	-	-	122,500
Lease prepayments (3)	-	10,211	-	-
<b>Current assets</b>				
Inventories (4)	-	35,013	-	-
Trade and bills receivables (5)	34,245	86,566	227	-
Other receivables, deposits and prepayments (6)	2,423	4,174	35	157
Advance payments to a related party (7)	-	25,575	-	-
Due from related parties (trade) (8)	-	13,938	-	-
Cash and bank balances (9)	1,247	11,536	476	4,799
<b>Total current assets</b>	<b>37,915</b>	<b>176,802</b>	<b>738</b>	<b>4,956</b>
<b>TOTAL ASSETS</b>	<b>37,915</b>	<b>226,794</b>	<b>738</b>	<b>128,103</b>
<b>Current liabilities</b>				
Trade payables (10)	12,537	26,699	216	-
Other payables and accruals (11)	5,653	10,917	944	1,554
Due to a subsidiary (non-trade)	-	-	2,270	2,250
Short-term bank loans (12)	11,429	13,943	-	-
Provision for courts' enforcement cases	15,810	-	-	-
Contract liabilities	1,331	2,633	-	-
<b>TOTAL LIABILITIES</b>	<b>46,760</b>	<b>54,192</b>	<b>3,430</b>	<b>3,804</b>
<b>NET (LIABILITIES)/ASSETS</b>	<b>(8,845)</b>	<b>172,602</b>	<b>(2,692)</b>	<b>124,299</b>
<b>SHAREHOLDERS' EQUITY</b>				
Share capital	140,543	140,543	140,543	140,543
Statutory reserve fund	23,367	23,367	-	-
Capital reserve	47,946	47,946	-	-
Currency translation reserve	354	382	5,158	9,237
Accumulated losses	(221,055)	(39,636)	(148,393)	(25,481)
<b>TOTAL EQUITY</b>	<b>(8,845)</b>	<b>172,602</b>	<b>(2,692)</b>	<b>124,299</b>

**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.**

(1) An analysis of property, plant and equipment is as follows:

	<b>The Group</b>	
	<b>As at 31.12.2020 RMB'000</b>	<b>As at 31.12.2019 RMB'000</b>
Net book value of property, plant and equipment (a)	34,691	39,781
Less: Allowance for impairment loss due to courts' enforcement cases (b)	(34,691)	-
<b>Property, plant and equipment, net</b>	<b>-</b>	<b>39,781</b>

(a) Net book value of property, plant and equipment

During FY2020, there were disposal and write offs of property, plant and equipment ("PPE") for the Company with total net book value of approximately RMB0.6 million.

Lower net book value of PPE for the Group were recorded as at 31 December 2020 as compared with 31 December 2019 mainly due to depreciation of PPE and the disposal and write-offs of certain PPE in FY2020.

(b) Allowance for impairment loss due to courts' enforcement cases

In addition to PPE pledged as securities for short-term bank loans under paragraph 1(b)(ii) below, the Company noted from GFE Legal Report and the accompanying detail court's rulings that there are other PPE that were pledged by Litai as securities for borrowings provided by Bank of China (Wuxi Branch) to two related parties, namely Jiangyin Haida Caitu Co., Ltd. ("Jiangyin Caitu") and Jiangyin East-China Aluminium Technology Co., Ltd ("Jiangyin East-China"). Based on detail court's rulings under cases (2020) 苏 0213 执 4847 号 and (2020) 苏 0213 执 4846 号, the court has indicated that Litai has provided securities under pledge numbers 苏(2017)江阴不动产证明 No.0014712 (legal rights to buildings), No.0014720 and No.0014721 (land-use rights). As information and documents of these pledges were held by Mr Xu Youcai, the Company does not have much information about the pledges. The Company is not aware of the nature of these pledges and whether approval has been sought prior to the assets being pledged as securities to secure loans for the two related parties. The Company has also noted from the two detail court rulings that Litai's assets, including machineries and inventory, were made available by the court to the enforcement applicant. The Company also noted from detail court's rulings for other litigation cases that PPE such as motor vehicles were seized by the courts for other enforcement applicants. Nevertheless, while information about the assets pledged (as per the enforcement cases above) were not available to the Company, the Company has, as at the date of this announcement and on grounds of prudence, provided for allowance for impairment loss due to enforced courts' cases based on the net book value of the PPE of RMB 34.7 million and the remaining lease prepayments of RMB 9.9 million as at 31 December 2020.

\*See Explanatory Notes A part (7) - Profit before taxation on page 4.

(2) Allowance for impairment in value of investment in a subsidiary of the Company has been fully provided, as follows:

	<b>The Company</b>	
	<b>As at 31.12.2020 RMB'000</b>	<b>As at 31.12.2019 RMB'000</b>
Investment in a subsidiary, unquoted equity shares at beginning of year	122,500	119,342
Translation differences	(4,052)	3,158
	118,448	122,500
Less: Allowance for impairment of investment in subsidiary during the year	(118,448)	-
<b>Investment in a subsidiary, net</b>	<b>-</b>	<b>122,500</b>

- (3) As disclosed in paragraph 1(b)(i)(1) above, the Company noted that lease prepayments may be pledged as securities for borrowings provided by Bank of China (Wuxi Branch) to two related parties, namely Jiangyin Caitu and Jiangyin East-China. While information about the assets pledged (as per the enforcement cases above) were not available to the Company, the Company has, as at the date of this announcement and on grounds of prudence, provided for allowance for impairment loss due to enforcement courts' cases based on the remaining lease prepayments of RMB 9.9 million as at 31 December 2020, as follows:

	The Group	
	As at 31.12.2020 RMB'000	As at 31.12.2019 RMB'000
Lease prepayment	9,911	10,211
Less: Allowance for impairment loss due to courts' enforcement cases	(9,911)	-
<b>Lease prepayment, net</b>	<b>-</b>	<b>10,211</b>

\*See Explanatory Notes A part (7) - Profit before taxation on page 4.

- (4) As at 31 December 2020, inventory balance was lower as compared to the balance at the beginning of the year due to the sales of inventory by the Group. The business of the Group has been adversely affected by initially stiff competition within the industry, followed by the US-China trade tension, and most recently by COVID-19 pandemic. Litai had written down the value of inventory to net realizable value by RMB 9.4 million in September 2020 given the dire conditions brought by COVID-19 globally.

An analysis of Inventory is as follows:

	The Group	
	As at 31.12.2020 RMB'000	As at 31.12.2019 RMB'000
Finished goods	1,943	11,006
Work-in-progress	-	1,318
Raw materials	4,427	21,254
Consumables	1,231	1,435
	<u>7,601</u>	<u>35,013</u>
Less:		
(i) Allowance for write down in inventory to net realizable value	(3,891)	-
(ii) Allowance for impairment loss due to courts' enforcement cases	(3,710)	-
<b>Inventory, net</b>	<b>-</b>	<b>35,013</b>

As detailed in paragraph 1(a)A note (7) above, the Company noted from certain courts' enforcement rulings that inventory has been seized by the courts for the enforcement applicant/s. Accordingly, allowance for impairment loss due to courts' enforcement cases, of amount up to the net realisable value of inventory of RMB 3.7 million, has been made in FY2020.

\*See Explanatory Notes A part (6) and (7) - Profit before taxation on page 4.



- (5) Trade receivables as at 31 December 2020 was lower as compared to the balance as at 31 December 2019, attributed mainly to lower sales, allowance for impairment of trade receivables made and collections from trade receivables during FY2020.

An analysis of trade receivables balances is as follows:

	The Group	
	As at 31.12.2020 RMB'000	As at 31.12.2019 RMB'000
Trade receivables (third parties), gross	86,535	119,809
Less: Allowance for impairment of trade receivables	(57,638)	(33,558)
	28,897	86,251
Add: Bills receivables	-	315
Bank drafts from trade receivables (third parties)	5,348	-
<b>Trade receivables (Third parties), net</b>	<b>34,245</b>	<b>86,566</b>

While the Company has made allowance for impairment on trade receivables totaling approximately RMB57.6 million based on the information available as of the date of this announcement, such an impairment allowance may be insufficient if the creditworthiness of the currently unimpaired customers were to adversely deteriorate as a result of COVID-19. The Company is unable to ascertain this in the light of the limitations stated above.

\*See Explanatory Notes A part (8) - Profit before taxation on page 5.

- (6) An analysis of other receivables, deposits and prepayments is as follows:

	The Group	
	As at 31.12.2020 RMB'000	As at 31.12.2019 RMB'000
Other receivables, deposits and prepayments, gross	11,983	4,174
Less: Allowance for impairment in other debtors during the period	(9,560)	-
<b>Other receivables, deposits and prepayments, net</b>	<b>2,423</b>	<b>4,174</b>

The increase in other receivables, deposits and prepayments (gross) from RMB 4.2 million as at 31 December 2019 to RMB 11.9 million as at 31 December 2020 was mainly due to: (i) judicial funds deduction ( “司法扣划” ) of RMB 7.5 million by Sichuan Longquanyi District People’s Court due to related court proceedings as announced previously by the Company on 8 April 2020, 15 April 2020, 22 April 2020, 20 May 2020, 17 June 2020, 20 July 2020, 24 July 2020 and 26 February 2021; and (ii) prepayment of RMB 2.1 million to a legal firm in the PRC for related court proceedings cases. As of the date of this announcement, we do not have evidence that the amount for judicial funds deduction and the prepayment to a legal firm are refundable. Accordingly, allowance for impairment has been fully provided.

\*See Explanatory Notes A part (8) - Profit before taxation on page 5.

- (7) An analysis of the balance of advance payments to a related party (trade), Jiangyin Caitu is as follows:

	The Group	
	As at 31.12.2020 RMB'000	As at 31.12.2019 RMB'000
Advance payments to Jiangyin Caitu (trade), gross	52,130	51,150
Less: Allowance for impairment loss *	(52,130)	(25,575)
<b>Advance payments to Jiangyin Caitu (trade), net</b>	<b>-</b>	<b>25,575</b>

Jiangyin Caitu was able to buy in bulk the aluminium sheets/raw materials from the major suppliers within the PRC. However, Litai on its own standing was unable to do so and hence, had to buy via Jiangyin Caitu. In order to secure its orders, Litai would make advance payments to Jiangyin Caitu for the purchase of raw materials. The shareholders’ mandate had been obtained annually to approve this interested person transaction (“IPT”) and the latest being obtained at the last AGM of the Company held on 29 June 2020.

During the period under review, Jiangyin Caitu had not been fulfilling the orders from Litai. Despite numerous follow-ups by Litai, the expected deliveries had not been fulfilled to date. Litai had been monitoring the situation closely and had demanded for a refund of the advances. According to the announcement made by the Company on 20 July 2020, Jiangyin Caitu has been named as co-defendant in legal suits brought by Industrial and Commercial Bank of China Limited (Jiangyin Sub-Branch). Based on information obtained from domain www.tianyancha.com (“天眼查”) on 16 March 2021, the Company noted that an applicant had on 9 February 2021 applied to Jiangyin People’s Court (江阴人民法院) to put Jiangyin Caitu under bankruptcy review under case number (2021)苏 0281 破申 10 号. On the grounds of prudence, allowance for impairment loss had been provided fully on the outstanding balance of RMB52.1 million as at 31 December 2020.

\*See Explanatory Notes A part (8) - Profit before taxation on page 5.

- (8) As at 31 December 2020 and 31 December 2019, there was an outstanding amount of approximately RMB28.0 million mainly due from another related party, Jiangyin East-China Aluminium Technology Co., Ltd (“Jiangyin East-China”), attributed primarily to the provision of spray-painting services and sales of aluminium panels by Litai.

An analysis of due from related parties (trade) is as follows:

	The Group	
	As at 31.12.2020 RMB'000	As at 31.12.2019 RMB'000
Due from related parties (trade), gross	28,008	28,017
Less: Allowance for impairment loss *	(28,008)	(14,079)
<b>Due from related parties (trade), net</b>	<b>-</b>	<b>13,938</b>

Despite numerous attempts by Litai to chase for payments, Jiangyin East-China has not made repayment. The Company is considering to seek legal and professional advice to recover the outstanding sums. According to the announcement made by the Company on 20 July 2020, Jiangyin East-China has been named as co-defendant in legal suits brought by Industrial and Commercial Bank of China Limited (Jiangyin Sub-Branch). Based on information obtained from domain www.tianyancha.com (“天眼查”) on 16 March 2021, an individual applied to Jiangyin People’s Court (江阴人民法院) to put Jiangyin East-China under bankruptcy review under case numbers (2020)苏 0281 破申 70 号 and (2021)苏 0281 破申 3 号. On grounds of prudence, allowance for impairment had been provided fully against the amount due from related parties (trade) as at 31 December 2020.

\*See Explanatory Notes A part (8) - Profit before taxation on page 5.

- (9) There was a decrease in cash and bank balances of approximately RMB10.3 million for the year ended 31 December 2020. This was due to allowance for impairment loss on frozen bank accounts balances of RMB3.5 million, cash used in operating activities of approximately RMB4.6 million and cash used in financing activities of approximately RMB2.5 million, being offset by net cash generated from investing activities of approximately RMB0.4 million.

An analysis of cash and bank balances is as follows:

	The Group	
	As at 31.12.2020 RMB'000	As at 31.12.2019 RMB'000
Frozen bank account balances	3,487	775
Bank account balances	476	10,754
Cash on hand and bank draft	771	7
	4,734	11,536
Less: Allowance for Impairment loss due to courts’ enforcement cases	(3,487)	-
<b>Available cash and bank balances</b>	<b>1,247</b>	<b>11,536</b>

Please see cashflow statement for more details.

As per our announcements dated 8 April 2020, 15 April 2020, 22 April 2020, 20 May 2020, 17 June 2020 and 20 July 2020, certain bank accounts of Litai, had been frozen due to courts' enforcement cases. Accordingly, allowance for impairment loss due to courts' enforcement cases has been made based on the entire frozen bank account balances.

- (10) Trade payables of decreased by approximately RMB14.2 million in FY2020. This was due mainly to the payments to suppliers and the reduction in purchases in line with the substantial decrease in business activities as a result of the COVID-19 pandemic.

As per our announcements dated 26 February 2021, the Company noted, from GFE Legal Report, enforcement cases ruled in favour of the following trade suppliers:

	<u>Enforced amount (RMB)</u>
(i) PPG Paint(Tianjin) Co. Ltd	1.2 million
(ii) Taizhou Longxin Maozhan Co. Ltd 泰州市隆鑫毛毡有限公司	1.1 million
(iii) Henan Yulong Metal Products Co., Ltd 河南裕龙金属制品有限公司	0.3 million

\*See Explanatory Notes A part (7) - Profit before taxation on page 4.

- (11) Other payables and accruals decreased by approximately RMB5.3 million in FY2020. This was due mainly to the payment of accrued payroll costs and the reduction in accruals for payroll costs in line with the substantial fall in business activities as a result of the COVID-19 pandemic.
- (12) As at 31 December 2020, the short-term bank loan was RMB11.4 million (31 December 2019: RMB13.9 million).

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

<b>THE GROUP</b>	
<b>As at 31 Dec 2020</b>	<b>As at 31 Dec 2019</b>
<b>Secured</b>	<b>Secured</b>
<b>RMB '000</b>	<b>RMB '000</b>
Amount repayable in one year or less, or on demand	11,429
	13,943

**Details of any collateral**

As at 31 December 2020, bank loans totaling RMB11.4 million were secured by leasehold building and land use rights with net carrying amounts of approximately RMB2.73 million and RMB1.12 million respectively (net carrying amounts as at 31 December 2019 were RMB2.88 million and RMB1.13 million respectively). The bank loans were also secured by the personal guarantee of the Chief Executive Officer and an unrelated business associate. However, such personal guarantees had expired in September 2019. It is uncertain, as of the date of this announcement, whether the guarantees were renewed or extended. Interests on these bank loans was charged at interest rate of 3.99% per annum. (FY2019: 3.99% per annum).

The short-term bank loans of RMB4.4 million and RMB7.0 were also due for repayment and renewal on 26<sup>th</sup> November 2019 and 29<sup>th</sup> January 2020 respectively. As at the date of this announcement, to the best of our knowledge and information, Litai has neither repaid nor renewed both bank loans since their maturity dates.

Based on GFE Legal Report and the accompanying detail court rulings, the Company noted that the court has ruled in favour of Bank of China for borrowings by Litai. The Company noted, under enforcement case number (2020) 苏 0213 执 3925 号, that any proceeds from the sale (via auction or discounted sale) of the securities provided by Litai under pledge numbers 苏(2019)江阴不动产证明 No.0004319 and No.0004320 (legal rights to buildings), and No.0004321 (land-use rights) to be applied firstly to settle the bank loans with Bank of China. As information and documents of these pledges were held by Mr Xu Youcai, the Company does not have much information about them. The three pledges mentioned in this paragraph should be related to the above short-term bank loans. Nevertheless, while information about the assets pledged (as per the enforcement case above) were not available to the Company, the Company has, as at the date of this announcement and on grounds of prudence, provided for provision for enforced courts' cases based on the net book value of the PPE of RMB 34.7 million and the remaining lease prepayments of RMB 9.9 million as at 31 December 2020.

\*See Explanatory Notes A part (7) - Profit before taxation on page 4.

**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.**

	RMB'000	RMB'000
<b>Cash flows from operating activities</b>		
Loss before taxation	(181,419)	(51,672)
Adjustments for:		
Write down in inventory to net realisable value	9,401	-
Provision for courts' enforcement cases	15,810	-
Allowance of impairment loss on assets due to courts' enforcement cases	51,799	
Allowance of impairment loss on financial asset, net	74,124	48,279
Amortisation of lease prepayment	300	301
Depreciation of PPE	4,499	4,830
Loss on disposal of PPE	181	-
Write off of PPE	30	22
Interest expense	764	1,044
Interest income	(40)	(59)
Unrealised translation gain/ (loss)	29	(16)
Operating (loss)/profit before working capital changes	(24,522)	2,729
Inventories	21,902	16,561
Trade and bills receivables	28,241	10,245
Other receivables, deposits and prepayments	(7,809)	111
Trade payables, contract liabilities and other payables	(20,728)	4,570
Due from related parties (trade)	9	(10,584)
Advance payments to a related party (trade)	(980)	(27,683)
Cash generated used in operations	(3,887)	(4,051)
Interest paid	(764)	(1,044)
Interest received	40	59
Net cash generated used in operating activities	(4,611)	(5,274)
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(16)	(293)
Proceed from disposal of property, plant and equipment	367	-
Net generated from/(cash used) in investing activities	351	(293)
<b>Cash flows from financing activities</b>		
Proceeds from short-term bank loans	-	7,000
Repayment of short-term bank loans	(2,514)	(15,057)
Net cash used in financing activities	(2,514)	(8,057)
<b>Net decrease in cash and cash equivalents</b>	(6,774)	(13,624)
Cash and cash equivalents at beginning of period	11,536	25,023
Effect of exchange rate changes in cash and cash equivalents	(28)	137
Allowance of impairment loss on frozen bank balances	(3,487)	-
<b>Cash and cash equivalents at end of period</b>	1,247	11,536

**STATEMENTS OF CHANGES IN EQUITY**

(Amount expressed in thousands of Chinese Renminbi (“RMB”) currency).

- 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.

**Attributable to equity holders of the Company**

GROUP	Share capital	Statutory reserve fund	Capital reserve	Currency translation reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2020	140,543	23,367	47,946	382	(39,636)	172,602
Total comprehensive loss for the period	-	-	-	(28)	(181,419)	(181,447)
<b>Balance as at 31.12.2020</b>	<b>140,543</b>	<b>23,367</b>	<b>47,946</b>	<b>354</b>	<b>(221,055)</b>	<b>(8,845)</b>
Balance as at 1.1.2019	140,543	23,367	47,946	244	11,173	223,273
Total comprehensive loss for the period	-	-	-	138	(50,809)	(50,671)
<b>Balance as at 31.12.2019</b>	<b>140,543</b>	<b>23,367</b>	<b>47,946</b>	<b>382</b>	<b>(39,636)</b>	<b>172,602</b>

COMPANY	Share capital	Currency translation reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2020	140,543	9,237	(25,481)	124,299
Total comprehensive loss for the period	-	(4,079)	(122,912)	(126,991)
<b>Balance as at 31.12.2020</b>	<b>140,543</b>	<b>5,158</b>	<b>(148,393)</b>	<b>(2,692)</b>
Balance as at 1.1.2019	140,543	5,955	(22,240)	124,258
Total comprehensive loss for the period	-	3,282	(3,241)	41
<b>Balance as at 31.12.2019</b>	<b>140,543</b>	<b>9,237</b>	<b>(25,481)</b>	<b>124,299</b>

- 1.(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 issued and paid-up share capital of the Company since the previous financial year ended 31 December 2019. The total number of issued shares excluding treasury shares and subsidiary holdings of the Company was 254,880,660 ordinary shares as at 31 December 2020 and 31 December 2019 respectively. The Company has no outstanding convertibles, no treasury shares and no subsidiary holdings as at 31 December 2020 and 31 December 2019.

**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.**

	<b>THE COMPANY</b>	
	<b>As at 31 Dec 2020</b>	<b>As at 31 Dec 2019</b>
Total number of issued shares	254,880,660	254,880,660
Less: Treasury shares	-	-
Total number of shares excluding treasury shares	254,880,660	254,880,660

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

Not applicable.

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

Not applicable. The Company has no subsidiary holdings.

**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).**

Not applicable.

**3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:**

- (a) Updates on the efforts taken to resolve each outstanding audit issue.**
- (b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.**

(a) In the latest audited financial statements of the Company for the financial year ended 31 December 2019, under the basis for Disclaimer of Opinion, the following significant matters were disclosed as follows:

1. Limitation of scope;
2. Litigations and claims; and
3. Going concern.

With the new management in place, the Board will endeavour to resolve the abovementioned matters within the next twelve months. Efforts made by the Company towards resolution of these outstanding audit issues include: (i) procuring funding from potential investors to ensure the Company is able to continue operating as a going concern; (ii) putting in place new management; (iii) sourcing and procurement of new business and projects similar to the Group's existing business to increase revenue stream; and (iv) appointment of legal counsel in China to advise the Company on the enforcement awards and litigation claims involving Litai.

(b) As disclosed in the Introduction section, the Company has been unable to obtain all relevant and pertinent information, documents and/or explanations from Litai to accurately complete and finalise the FY2020 Financial Results and to address the issues (such as limitation of scope, impairment assessment of the property, plant and equipment and right-of-use assets of the Group, litigation and claims and going-concern) raised in the Disclaimer of Opinion by the Independent Auditor, Crowe Horwath First Trust LLP, for the audit of the financial statements of the Group for the financial year ended 31 December 2019.

Consequently, the Company is constrained to prepare and report the FY2020 Financial Results to the best of its knowledge using financial figures obtained from Litai's Team. The Company is therefore unable to ascertain whether the figures provided by Litai's Team would be an accurate representation of Litai's financials due to information or supporting documents which have not been forthcoming from Mr Xu Youcai.

Shareholders and potential investors are advised to read or use the FY2020 Financial Results with caution, especially having regard to the limitations and qualifications outlined above. The Company will make further announcements as and when any material information relating to the FY2020 Financial Results is subsequently available.

**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 as in the latest annual audited financial statements for the financial year ended 31 December 2020 except as described in section 5 below.

**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 has adopted the same accounting policies and methods of computation which are consistent with those used in the most recent audited consolidated financial statements for the financial year ended 31 December 2019. The new standards, amendments to standards and interpretations that have been issued at the balance sheet date but are not yet effective for the financial year ended 31 December 2020 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

**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.**

Loss after taxation (RMB '000)  
Weighted average number of ordinary shares on issue applicable to earnings  
Loss per ordinary share (RMB cents)  
- Basic & Diluted

<b>THE GROUP</b>	
<b>1 Jan 2020 to 31 Dec 2020</b>	<b>1 Jan 2019 to 31 Dec 2019</b>
(181,419)	(59,910)
254,880,660	254,880,660
(71.2)	(23.5)



**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.

	The Group		The Company	
	As at 31 Dec 2020	As at 31 Dec 2019	As at 31 Dec 2020	As at 30 Dec 2019
Net (liabilities)/assets (RMB'000)	(8,845)	172,602	(2,692)	124,299
Net (liabilities)/assets value per ordinary share based on the total number of issued shares excluding treasury shares as at the end of the respective periods (RMB cents)	(3.5)	67.7	(1.1)	48.8

Net (liabilities)/asset value per ordinary share was calculated based on the 254,880,660 issued ordinary shares excluding treasury shares as at 31 December 2020 and 31 December 2019 respectively.

**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  
(c) 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**

**A Consolidated Comprehensive Statement of Income (FY2020 vs FY2019)**

**(i) Revenue**

Compared to FY2019, the Group's total revenue for FY2020 fell approximately 85.2% or RMB177.1 million, from RMB207.8 million to RMB30.7 million attributed mainly to shut down of production plant of Litai during COVID-19 lockdown in the PRC, followed by the temporary suspension of factory in August 2020. In addition, export sales had been badly affected by the COVID-19 pandemic. Revenue for FY2020 included revenue of RMB0.2 million from trading of aluminium materials which the Company has commenced in December 2020 as part of its efforts to increase revenue.

**(ii) Gross Profit**

Due to the poor business environment and COVID-19 lockdown in the PRC and overseas, gross profit turned negative in FY2020. Gross loss from sales was RMB5.8 million for FY2020 as compared with gross profit from sales of RMB18.7 million for FY2019.

Gross profit margin turned negative to -18.9% for FY2020 from 9.0% in FY2019 due primarily to higher absorption of fixed costs such as depreciation of machinery of RMB 4.2 million and water and electricity of RMB 2.0 million charged as costs of sales in FY2020 against lower production activities and certain slow-moving inventory were realized at prices below cost.

**(iii) Operating Expenses**

Total operating expenses decreased marginally by approximately 9.7% or RMB2.2 million from approximately RMB22.7 million in FY2019 to RMB20.5 million in FY2020.

With lower revenue, selling and distribution expenses decreased by approximately RMB1.7 million or 61.2%, from RMB2.8 million in FY2019 to RMB1.1 million in FY2020. The decrease was attributed mainly to the lower salary expenses and lower shipping expenses in line with the decline in revenue.

Administrative expenses decreased marginally by approximately RMB0.5 million or 2.5%, from RMB19.9 million in FY2019

to RMB19.4 million in FY2020. Despite the significant decline in revenue in FY2020, administrative expenses in FY2020 remained at similar level compared to FY2019. This was attributed mainly to the business consulting work of RMB 2.3 million, litigation expenses of RMB0.4 million and personal income tax expense of RMB1.1 million incurred by Litai in FY2020.

Litai incurred business consulting expenses for business related consultancy work.

Litigation expenses is incurred by Litai for related litigation cases.

Personal income tax relates to personal income taxes of the employees/workers of Litai. Under the requirements of the local government of Jiangyin, Litai shall make payment to the government the personal income tax of its employees first and then collect from the employees their personal income taxes. Mr Xu Youxai approved expensing the personal income taxes and not to seek repayment of these person income taxes from its employees (including himself).

**(iv) Other Operating (loss)/ Income**

Please see explanatory note A to Part 1(a).

**(v) Finance Costs**

Interest expense for FY2020 was lower as compared to FY2019. This was mainly due to higher average short-term bank loans balances in FY2019 as compared to FY2020. The weighted average interest rate of 3.99% per annum remained the same as the previous year.

**(vi) Write down in inventory to net realisable value**

Please see explanatory note A part (6) on page 4.

**(vii) Provision for courts' enforcement cases**

Please see explanatory note A part (7) on page 4.

**(viii) Impairment loss on assets due to courts' enforcement cases**

Please see explanatory note A part (7) on page 4.

**(ix) Impairment loss on financial assets, net**

The Group has adopted SFRS(I) 9 on impairment of financial assets since FY2018.  
Please see explanatory note A part (8) on page 5.

**(x) Income Tax**

As there was a loss from operation, no provision for taxation was made during the FY2020.

**(xi) Net Loss After Taxation**

Due to lower sales, negative gross margin, allowance for impairment loss on financial assets, impairment loss on assets due to courts' enforcement cases, provision for courts' enforcement cases and write down in inventory to net realizable value, the Group recorded a net loss of approximately RMB181.4 million in FY2020 as compared to a net loss of approximately RMB50.7 million in FY2019.

**B Consolidated Balance Sheet (31 December 2020 versus 31 December 2019)**

Total current assets decreased by approximately 78.6%, or RMB138.9 million, from RMB176.8 million as at 31 December 2019 to RMB37.9 million as at 31 December 2020. This was primarily due to the following factors:

- i) decrease in inventories of approximately RMB35.0 million due to write down in inventory to net realizable value, allowance for impairment on inventory due to courts' enforcement cases and the sale of slow moving inventory.
- ii) decrease in trade debtors and bills receivables of approximately RMB52.3 million due to collections from trade receivables, lower sales and allowance for impairment of trade receivables of RMB24.0 million in FY2020. Included in the trade debtors was RMB0.2 million receivable from the trading business in Singapore of aluminium materials which commenced in December 2020.
- iii) decrease in cash and bank balances of approximately RMB10.3 million attributed to reasons provided in Part C below.
- iv) decrease in advance payments of approximately RMB25.6 million to a related party attributed to allowance for impairment loss.
- v) decrease in other receivable, deposit and prepayments of approximately RMB1.8 million attributed to reasons

- provided in paragraph 1(b)(i)(6).
- vi) decrease in due from related parties (trade) of approximately RMB13.9 million attributed to allowance for impairment loss.

Total current liabilities amounted to RMB46.8 million as at 31 December 2020, representing a decrease of approximately RMB7.4 million or 13.7% as compared to RMB54.2 million as at 31 December 2019. This was primarily due to the following factors:

- i) decrease in trade payables by RMB14.2 million attributed to the payments to suppliers and less purchases from suppliers.
- ii) the Company has recorded a small increase in payable due to trading of aluminium materials which the Company has commenced.
- iii) decrease in other payables and accruals by RMB5.3 million attributed to the payments of accrued payroll and lower accruals of payroll costs.
- iv) decrease in short-term bank loans by RMB2.5 million attributed to repayment of bank loans.
- v) provision for courts' enforcement cases on RMB15.8 million in FY2020.
- vi) decrease in contract liabilities by RMB1.3 million attributed to the substantial drop in business activities.

The Group's net liabilities position was RMB 8.8 million as at 31 December 2020 compared to the net assets of RMB 172.6 million as at 31 December 2019. The net liabilities position was mainly due to trade payables of RMB12.5 million, other payables and accruals of RMB 5.7 million, provision for courts' enforcement cases of 15.8 million, and short-term bank loans of RMB 11.4 million that are maturing within 12 months from 31 December 2020. This factor indicates the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and to realise its assets and discharge its liabilities in the ordinary course of business.

Nevertheless, the management of the Company believes that the use of the going concern assumption in the preparation and presentation of the unaudited full year financial statements for the financial year ended 31 December 2020 of the Company is appropriate after taking into consideration the following factors:

- i) Obtaining new loans from investors to finance its operating expenses of the Company; and
- ii) The management is also searching for new avenues to generate business in Singapore to create sustainable business income;

### **C. Consolidated Cash Flow Statement**

Cash and bank balances as at 31 December 2020 was approximately RMB4.7 million, a decrease of approximately RMB6.7 million as compared to the cash and bank balances of RMB11.5 million as at 31 December 2019. The reduction was due to cash used in operating activities of approximately RMB4.6 million and cash used in financing activities of approximately RMB2.5 million, being offset by net cash generated from investing activities of approximately RMB0.4 million.

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

Not applicable.

### **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.**

On 21 January 2021, the Company has reconstituted the Board and Board Committees with the appointment of Mr Zhu Peng as independent director and re-designation of Mr Soh Yeow Hwa from independent director to executive director. As such, the Board is strengthened. The Board is cognizant of the imperative need to revitalize the Group's business and will strive to turnaround the Company with sustainable businesses so as to propel the Group onto growth platform for better prospects for all the shareholders.

The Company have since put in place a project team to source for businesses and seek strategic alliance and collaboration with local companies to take on projects in Singapore and around the region closer to home. We have identified and narrowed down to several parties and will be engaging these potential parties in active discussions.

As announced on 18 February 2021, the Company has incorporated a new subsidiary in Singapore to engage in trading of aluminium products. This trading subsidiary will spearhead the Group's diversification into the Singapore market. Over the

next 12 months, the Group will endeavour to grow this new trading subsidiary's sales volume to increase revenue stream. In addition, Litai has also resumed part of its operations, which includes sourcing for new orders, collection of trade debts and other administrative activities.

As previously disclosed by the Company, legal and enforcement proceedings relating to Litai have been discovered and the Company has engaged GFE Law Office, a law firm in China to, among others, evaluate the facts of each case to determine whether it is advisable to challenge the enforcement awards against Litai, so as to determine the impact of such litigation claims to the Company's financials.

The Company will make updates as and when appropriate on the litigation claims and legal proceedings.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

None

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended for the year ended 31 December 2020 due to the net loss for the year and also to enable the Company to conserve cash for working capital purposes.

**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 interested person transactions conducted pursuant to a shareholders' general mandate are as follows:

Name of Interested Persons	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than 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 S\$100,000) for the half year ended 31 December 2020
	RMB'000	RMB'000
<b>Jiangyin Haida Caitu Co., Ltd.</b>		
-Reimbursement of electricity expenses	-	-
-Advances paid for purchase of raw materials *	-	(980)
-Purchase of raw materials	-	-
-Sales of paint	-	-
-Processing fee	-	-
<b>Jiangyin East-China Aluminium Technology Co., Ltd.</b>		
-Spray-painting income	-	-
-Purchase of raw materials	-	-
-Sales of paint	-	-

For reasons disclosed in the Introduction section of this announcement, Company is not able to obtain information from Litai to fully disclose information on interested persons transactions conducted for the half year ended 31 December 2020.

\*Jiangyin Haida Caitu Co., Ltd. requires the Group to provide advances for purchases of raw materials. Such advances would be used to reduce payable for purchase transactions. The outstanding advances to Jiangyin Haida Caitu Co., Ltd. as at 31 December 2020 was approximately RMB52.1 million (As at 31 Dec 2019: RMB51.2 million).

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

**14. 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.**

Our revenue is primarily derived from the manufacture and sale of aluminium composite panels, including interior and exterior composite panels (ACP) and aluminium single panels (ASP). Accordingly, no segmental analysis is provided.

The following table shows the distribution of the Group's revenue by geographical location of customers, whereas all of the Group's segment assets are based on the location of the assets:

**BY GEOGRAPHICAL SEGMENTS**

The Group's geographical segmentation is based on the country of origin of our customers and not the destination of shipments.

	<b>1 Jan 2020 to 31 Dec 2020 FY2020</b>	<b>1 Jan 2019 to 31 Dec 2019 FY2019</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b><u>Revenue</u></b>		
PRC	24,677	158,103
Overseas	5,991	49,680
Total	30,668	207,783
<b><u>Assets</u></b>		
PRC	39,549	223,563
Singapore	738	128,103
Less: Inter-segment elimination	(2,372)	(124,872)
Total	37,915	226,794

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

Economic slowed down and coupled with the lockdown in COVID19 were the main contribution factors to the decline in performance of the Group. However, the impending legal suits which we have announced dated 26 February 2021 have contributed to the disruptions to our business which is reflected in the significant and material changes to our revenue and assets.

**16. A breakdown of sales.**

THE GROUP		
FY2020	FY2019	Increase / (decrease)
RMB'000	RMB'000	%
Unaudited	Unaudited	
(a) Sales reported for first half year	23,298	96,741 (75.9)%
(b) Operating loss after tax before deducting minority interests reported for the first half year	(60,040)	(931) 6,349.0 %
(c) Sales reported for second half year	7,370	111,042 (93.4)%
(d) Operating loss after tax before deducting minority interests reported for second half year	(121,379)	(49,878) 143.4 %

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

	FY2020	FY2019
	RMB'000	RMB'000
Dividends paid:		
- interim dividend	-	-
- final dividend in relation to previous financial year	-	-

18. **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) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Pursuant to Rule 704(13) of the Listing Manual, we confirm that there are no persons occupying managerial positions who are relatives of a director or chief executive officer or substantial shareholder of the Company.

19. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

For reasons disclosed in the Introduction section of this announcement, the Company is unable to procure undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

**BY ORDER OF THE BOARD**

**31 March 2021**