
Full Year Financial Statements And Dividend Announcement for the Year Ended 31 December 2013

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

	12 months ended		Increase / (Decrease) %
	31.12.2013 RMB'000	31.12.2012 RMB'000	
Continuing operations			
Revenue	155,514	57,899	168.6
Cost of services provided	(99,174)	(22,603)	338.8
Gross profit	56,340	35,296	59.6
Other income-net	29,951	21,537	39.1
Gain on bargain purchase	8,328	-	NM
Administrative expenses	(13,847)	(14,277)	(3.0)
Other operating expenses	(23,165)	(17,652)	31.2
Selling expense	(3,129)	-	NM
Operating profit	54,478	24,904	118.75
Finance costs	(8,615)	(724)	1090.1
Share of losses of associated companies	(2,081)	(913)	127.9
Profit before income tax	43,782	23,267	88.2
Income tax expense	(12,869)	(5,237)	145.7
Profit for the financial year from continuing operations	30,913	18,030	71.5
Discontinued operations			
(Loss) / Profit for the financial year from discontinued operations	(10,812)	992	(1189.9)
Profit for the financial year	20,101	19,022	5.7
Other comprehensive (loss) / income :			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations	(1,875)	209	(997.1)
Other comprehensive (loss) / income for the financial year, net of tax	(1,875)	209	(997.1)
Total comprehensive income for the financial year	18,226	19,231	(5.2)

NM: Not Meaningful

	12 months ended		Increase / (Decrease) %
	31.12.2013 RMB'000	31.12.2012 RMB'000	
Profit for the financial year attributable to:			
Owners of the Company	14,439	8,088	78.5
Non-controlling interests	5,662	10,934	(48.2)
	20,101	19,022	5.7
Total comprehensive income for the financial year attributable to:			
Owners of the Company	12,564	8,297	51.4
Non-controlling interests	5,662	10,934	(48.2)
	18,226	19,231	(5.2)

Note:

Discontinued operations: CCI Andi Bridges Co., Ltd

CCI Andi Bridges Co., Ltd (“Andi”), a subsidiary of the Group has been granted with a 25 years of concession rights on toll collection on 25 December 1998. The Group has an equity interest of 60% in Andi. However, the Group is only entitled to 55% of the profits due to a profit sharing agreement with the non-controlling shareholder.

On 2 January 2013, the Company announced that Andi has been notified by Hebei Provincial Government to cease its toll charging operations effective from 31 December 2012.

Under IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations, discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area. Management has assessed and satisfied that the cessation of toll bridge business has met the criteria under IFRS 5.

Under IFRS 5 Para 9, classification as non-current assets held for sale can generally only happen when the sale is expected to be completed within one year of the date of classification. However, it may extend beyond one year from the date of classification as held for sale when a delay is caused by events outside the entity’s control and there is evidence that the entity is still committed to the plan to sell the non-current asset or disposal group.

Hence, the Company’s full year financial statements for the financial year ended 31 December 2012 (“FY2012”) and 31 December 2013 (“FY 2013”) are prepared in accordance with presentation and disclosure prescribed under IFRS 5.

The Group's profit for the year is arrived at after crediting / (charging) the following:

	FY2013			FY2012		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Interest income	24,105	3	24,108	15,433	86	15,519
Impairment loss on property, plant and equipment	-	(592)	(592)	-	-	-
Gain on bargain purchase	8,328	-	8,328	-	-	-
Depreciation of property, plant and equipment	(6,645)	-	(6,645)	(5,876)	-	(5,876)
Currency translation gain, net	1,990	-	1,990	1,401	-	1,401
Share of losses of associated companies	(2,081)	-	(2,081)	(913)	-	(913)
Fair value gain on investment properties	5,600	-	5,600	4,600	-	4,600
Auditors' remuneration	(1,554)	(6)	(1,560)	(1,236)	(4)	(1,240)
Gain on disposal of property, plant and equipment	13	-	13	35	6	41
Impairment loss on non-current assets held for sale	-	(9,324)	(9,324)	-	-	-
Rental income, net	1,245	-	1,245	996	-	996
Over-recognition of loss on disposal of toll bridge and its auxiliary facilities	-	-	-	739	-	739
Amortisation of intangible assets	-	-	-	(1,593)	-	(1,593)

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	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RMB'000	RMB'000	RMB'000	RMB'000
Non-Current Assets				
Property, plant and equipment	210,637	87,755	-	-
Intangible assets	122	122	-	-
Investment properties	33,100	27,500	-	-
Goodwill	20,303	20,303	-	-
Investment in associated companies	97,040	100,996	-	-
Investment in subsidiaries	-	-	220,049	220,049
Long-term loan receivable	150,000	150,000	-	-
Deferred income tax assets	705	606	-	-
	511,907	387,282	220,049	220,049
Current Assets				
Properties for development	1,298,474	240,334	-	-
Refundable deposits	-	122,235	-	122,235
Prepayments, deposits and other receivables	136,697	101,105	298	376
Inventories	1,671	2,131	-	-
Trade receivables	50,945	5,004	-	-
Gross amounts due from customers for contract work	15,634	20,650	-	-
Due from associated companies	59,115	52,295	-	-
Due from related party	-	837	-	-
Due from subsidiaries	-	-	517,693	413,632
Due from non-controlling shareholders of subsidiaries	10,093	671	-	-
Restricted bank balances	2,270	143	-	-
Cash and cash equivalents	45,464	74,424	*	*
	1,620,363	619,829	517,991	536,243
Assets of discontinued operations	8,411	21,913	-	-
	1,628,774	641,742	517,991	536,243
Current Liabilities				
Trade payables	41,329	18,318	-	-
Other payables and accruals	151,515	9,720	2,588	2,358
Receipts in advance	20,770	16,621	-	-
Gross amounts due to customers for contract work	2,912	5,499	-	-
Due to subsidiaries	-	-	157,317	166,637
Due to non-controlling shareholders of subsidiaries	334,788	38,011	-	-
Current income tax liabilities	27,355	9,514	-	-
Borrowings	35,297	-	-	-
	613,966	97,683	159,905	168,995
Liabilities of discontinued operations	446	4,607	-	-
	614,412	102,290	159,905	168,995
NET CURRENT ASSETS	1,014,362	539,452	358,086	367,248
TOTAL ASSETS LESS CURRENT LIABILITIES	1,526,269	926,734	578,135	587,297

* Less than RMB1,000

	<u>Group</u>		<u>Company</u>	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RMB'000	RMB'000	RMB'000	RMB'000
Non-Current Liabilities				
Deferred income tax liabilities	175,760	5,454	-	-
Long term loan payables	145,445	148,436	-	-
Borrowings	148,076	-	-	-
	469,281	153,890	-	-
NET ASSETS	1,056,988	772,844	578,135	587,297
EQUITY				
Equity attributable to owners of the Company				
Share capital	219,943	219,943	219,943	219,943
Reserves	652,023	650,860	627,457	627,159
Accumulated losses	(166,471)	(178,170)	(269,265)	(259,805)
	705,495	692,633	578,135	587,297
Non-controlling interests	351,493	80,211	-	-
TOTAL EQUITY	1,056,988	772,844	578,135	587,297

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

Amount repayable in one year or less, or on demand

As at 31.12.2013 (RMB'000)		As at 31.12.2012(RMB'000)	
Secured	Unsecured	Secured	Unsecured
35,297	-	-	-

Amount repayable after one year

As at 31.12.2013 (RMB'000)		As at 31.12.2012 (RMB'000)	
Secured	Unsecured	Secured	Unsecured
148,076	145,445	-	148,436

Details of any collateral

The borrowing of the Group is secured as follows:

- (i) First legal mortgage over the water pipes of the Group;
- (ii) First legal mortgage over buildings of the Group in Beijing and Tianjin; and
- (iii) First legal mortgage over investment properties of the Group in Beijing.

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.

	12 months ended	
	31.12.2013	31.12.2012
	RMB'000	RMB'000
Cash flows from operating activities		
Profit before income tax	31,501	24,552
Adjustments for:		
Amortisation of intangible assets	-	1,593
Depreciation of property, plant and equipment	6,645	5,876
Interest expenses	11,606	2,420
Interest income	(24,105)	(15,519)
Employee share option expense	298	2,049
Gain on disposal of property, plant and equipment	(13)	(41)
Gain on bargain purchase	(8,328)	-
Fair value gain on investment properties	(5,600)	(4,600)
Share of losses of associated companies	2,081	913
Impairment loss on non-current assets held for sale	9,324	-
Impairment loss on property, plant and equipment	592	-
Unrealised currency translation gain	(1,990)	-
	22,011	17,243
Changes in working capital, net of effects from acquisition of subsidiary:		
Properties for development	53,510	(5,003)
Refundable deposit	-	10,000
Prepayments, deposits and other receivables	(26,418)	(1,046)
Inventories	460	(1,192)
Trade receivables	(39,852)	1,970
Gross amounts due from customers for contract work	5,016	(5,309)
Due from related party	837	(320)
Due from non-controlling shareholders	586	(82)
Trade payables	22,184	6,338
Other payables and accruals	(5,302)	1,378
Receipts in advance	(9,436)	(1,797)
Gross amounts due to customers for contract work	(2,587)	821
Due to non-controlling shareholders	(13,000)	(177)
Cash generated from operations	8,009	22,824
PRC income tax paid	(10,638)	(8,615)
Net cash (used in) / generated from operating activities	(2,629)	14,209
Cash flows from investing activities		
Acquisition of a subsidiary, net of cash acquired	(147,254)	-
Interest received	14,271	12,481
Payments for structured bank deposits	-	(20,000)
Proceeds on settlement of structured bank deposits	-	20,000
Payments for deposit of acquisition of a subsidiary	-	(122,235)
Purchases of property, plant and equipment	(45,209)	(21,378)
(Increased) / decreased of restricted bank balances pledged	(2,127)	8,320
Proceeds from disposal of property, plant and equipment	13	41
Payments for acquisition of non-controlling interests	(500)	-
Capital contributions to associated companies	-	(10,144)
Loans to non-related parties	(14,000)	(240,000)

	12 months ended	
	31.12.2013 RMB'000	31.12.2012 RMB'000
Loans to associated companies	(7,611)	(7,120)
Purchases of intangible assets	-	(122)
Net cash used in investing activities	(202,417)	(380,157)
Cash flows from financing activities		
Interest paid	(11,313)	(2,319)
Loans from non-related parties	-	148,436
Dividends paid to non-controlling shareholders	-	(1,823)
Repayment of borrowings	(16,627)	-
Proceed from borrowings	200,000	-
Net cash generated from financing activities	172,060	144,294
Net decrease in cash and cash equivalents	(32,986)	(221,654)
CASH AND CASH EQUIVALENTS:		
BEGINNING OF FINANCIAL YEAR	78,486	300,140
END OF FINANCIAL YEAR	45,500	78,486
Analysis of Cash and Cash Equivalents		
Cash and bank balances	47,734	74,567
Restricted bank balances	(2,270)	(143)
Cash held by discontinued operations	36	4,062
	45,500	78,486

As at 31 December 2013, cash and cash equivalents include restricted bank balances of approximately RMB2,270,000 (31 December 2012: RMB143,000) mainly for securing fund for buyers in Yichang Xinshougang Real Estate Development Co., Limited. (2012: securing the performance and fund utilisation for a land development project of the Group).

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

GROUP

	← Attributable to owners of the Company →										Non-controlling Interests	Total Equity
	Share Capital	Share Premium	Contributed Surplus	Capital Reserve	Statutory Reserves	Capital Redemption Reserve	Exchange Reserve	Share Options Reserve	Accumulated Losses	Subtotal		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		
At 1 Jan 2012	219,943	45,312	565,589	7,764	16,836	8,324	(2,503)	5,406	(184,384)	682,287	71,100	753,387
Total comprehensive income for the year	-	-	-	-	-	-	209	-	8,088	8,297	10,934	19,231
Payment of dividends	-	-	-	-	-	-	-	-	-	-	(1,823)	(1,823)
Transfer	-	-	-	-	1,874	-	-	-	(1,874)	-	-	-
Recognition of share-based payments	-	-	-	-	-	-	-	2,049	-	2,049	-	2,049
At 31 Dec 2012	219,943	45,312	565,589	7,764	18,710	8,324	(2,294)	7,455	(178,170)	692,633	80,211	772,844
At 1 Jan 2013	219,943	45,312	565,589	7,764	18,710	8,324	(2,294)	7,455	(178,170)	692,633	80,211	772,844
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-	266,120	266,120
Total comprehensive income for the year	-	-	-	-	-	-	(1,875)	-	14,439	12,564	5,662	18,226
Transfer	-	-	-	-	2,740	-	-	-	(2,740)	-	-	-
Acquisition of additional interests from non-controlling interests	-	-	-	-	-	-	-	-	-	-	(500)	(500)
Recognition of share-based payments	-	-	-	-	-	-	-	298	-	298	-	298
At 31 Dec 2013	219,943	45,312	565,589	7,764	21,450	8,324	(4,169)	7,753	(166,471)	705,495	351,493	1,056,988

COMPANY

	Share Capital	Share Premium	Contributed Surplus	Capital Reserve	Capital Redemption Reserve	Share Options Reserve	Accumulated Losses	Total Equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	At 1 Jan 2012	219,943	45,312	565,589	479	8,324	5,406	(251,369)
Total comprehensive loss for the year	-	-	-	-	-	-	(8,436)	(8,436)
Recognition of share-based payments	-	-	-	-	-	2,049	-	2,049
At 31 Dec 2012	219,943	45,312	565,589	479	8,324	7,455	(259,805)	587,297
At 1 Jan 2013	219,943	45,312	565,589	479	8,324	7,455	(259,805)	587,297
Total comprehensive loss for the year	-	-	-	-	-	-	(9,460)	(9,460)
Recognition of share-based payments	-	-	-	-	-	298	-	298
At 31 Dec 2013	219,943	45,312	565,589	479	8,324	7,753	(269,265)	578,135

- 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 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 was no change in the Company's share capital during the financial year under review. As at 31 December 2013, 44.5 million options granted in accordance with CIHL Share Option Schemes 2004 and 2010 ("the Schemes") are outstanding for conversion into 44.5 million shares in the capital of the Company (52 million as at 31 December 2012). According to the schemes, 44,500,000 options representing 100% (2012: 76.4%) options granted could be exercised as at 31 December 2013 (39,750,000 options as at 31 December 2012).

The Company did not hold any of its issued shares as treasury shares as at 31 December 2013 and 2012.

- 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.

As at 31 December 2013, the number of issued shares excluding treasury shares was 874,603,750 ordinary shares (2012: 874,603,750).

- 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.

Not applicable.

- 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 Company's auditor.

- 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.

The same accounting policies and methods of computation have been applied since the last audited annual financial statements as well as all applicable International Financial Reporting Standards ("IFRS") that become effective for financial year beginning on or after 1 January 2013. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact to the financial statements.

- 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.

Not applicable.

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.

	31.12.2013	31.12.2012
Profit / (loss) attributable to owners of the Company (RMB'000)		
- continuing operations	20,386	7,493
- discontinued operations	(5,947)	595
	<u>14,439</u>	<u>8,088</u>
Weighted average number of ordinary shares in issue ('000)	<u>874,604</u>	<u>874,604</u>
Basic and diluted earnings / (loss) per share (RMB fen)		
- continuing operations	2.33	0.86
- discontinued operations	(0.68)	0.07
	<u>1.65</u>	<u>0.93</u>

Basic earnings / (loss) per share is calculated by dividing the profit / (loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

Diluted earnings / (loss) per share is calculated by adjusting the weighted average number of ordinary shares assumed the deemed exercise of the share options outstanding during the reporting year have consideration.

The share options are not potential dilutive ordinary shares since the exercise price of the share options was higher than the average market price of the Company's ordinary shares during the financial year ended 31 December 2013. Therefore, no shares were assumed to have been issued on the deemed exercise of the Company's outstanding share options during the financial year ended 31 December 2013.

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.

	GROUP		COMPANY	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Net asset value (RMB'000)	705,495	692,633	578,135	587,297
Number of shares ('000)	874,604	874,604	874,604	874,604
Net asset per share (RMB)	0.807	0.792	0.661	0.672

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.

Profit and Loss Analysis

The revenue of FY2013 of the Group was RMB155.50 million, an increase of RMB97.60 million compared with the revenue of RMB57.90 million in FY2012, representing an increase of 168.6%, mainly due to revenue generated from properties development contributed by a newly acquired subsidiary, Yichang Xinshougang Real Estate Development Co., Limited.

The cost of services provided in FY2013 increased by 338.8% to RMB99.17million, an increase of RMB76.57 million versus the cost of services provided of RMB22.60 million in FY2012 mainly due to increased of cost at Yichang Xinshougang Real Estate Development Co., Limited.

The Group recorded a gross profit of RMB56.34 million in FY2013, representing an increase of 59.6% as compared to RMB35.30 million in FY2012 was mainly due to the sales revenue of the properties at Yichang Xinshougang Real Estate Development Co., Limited.

A gain on bargain purchase in FY2013 of RMB8.33 million was recognised arising from the acquisition of 55% equity interest in Beijing Kaiyuanwanjia Management Consulting Limited (f.k.a. Shoukong (Beijing) Management Consulting Company Limited).

Other income in FY2013 was RMB29.95 million, representing an increase of 39.1% as compared to RMB21.54 million for FY2012 mainly due to increase of interest income.

Included in other income in FY2013 was RMB5.60 million of fair value gain on investment properties (FY2012: RMB4.6 million.)

Selling expense in FY2013 was RMB3.13 million due to the marketing cost incurred at Yichang Xinshougang Real Estate Development Co. Limited.

Finance costs in FY2013 was RMB8.62 million, an increase of RMB7.89 million as compared to FY2012 representing an increase of 1090.1% mainly due to interest expenses on borrowings to finance the acquisition of Yichang Xinshougang Real Estate Development Co., Limited.

Income tax expense for FY2013 was RMB12.87 million, representing an increase of 145.7% as compared to income tax expense of RMB5.24 million for FY2012 mainly due to increased of tax rate from 12.5% to 25% in CIHL (Tianjin) Water Development Company Limited.

Loss from discontinued operations for FY2013 was RMB 10.81 million, representing a decrease of 1189.9% as compared to profit from discontinued operations for FY2012 mainly due to impairment loss in FY2013.

As a result of the above, the Group recorded after tax profit of RMB20.10 million for FY2013 as compared to RMB19.02 million for FY2012.

Analysis on Statement of Financial Position

Property, plant and equipment increased from RMB87.76 million as at 31 December 2012 to RMB210.64 million as at 31 December 2013 was mainly due to convention centre development cost at Yichang Xinshougang Real Estate Development Co. Limited.

Properties for development increased from RMB240.33 million as at 31 December 2012 to RMB1,298.47 million as at 31 December 2013 mainly due to increase in real estate development construction costs at Yichang Xinshougang Real Estate Development Co. Limited for Guobinyihao

real estate development project.

Prepayments, deposits and other receivables increased from RMB101.11 million as at 31 December 2012 to RMB136.70 million as at 31 December 2013 was mainly due to the interest receivable and funding of the resettlement housing project in Beijing Shijilongquan Real Estate Co. Limited.

Trade receivables increased from RMB5.00 million as at 31 December 2012 to RMB50.95 million at 31 December 2013 was mainly due to the receivable from customers on property purchase at Yichang Xinshougang Real Estate Development Co. Limited.

The increase in receipts in advance was due to deposits from customers on properties purchase of Yichang Xinshougang Real Estate Development Co., limited.

The changes in gross amounts due to customers for contract work was due to decrease of pipeline connections fees at water plant and are in normal course of business.

Assets of discontinued operations of RMB8.41 million mainly represent the carrying amount of the intangible assets, service concession arrangement as at 31 December 2013. Assets of discontinued operations decreased from RMB21.91 million at 31 December 2012 to RMB8.41 million due to impairment loss in FY2013.

Assets due from non-controlling shareholders increased from RMB0.67 million as at 31 December 2012 to RMB10.09 million as at 31 December 2013 mainly due to the apportionment land use tax to be borne by the previous vendor of Yichang Xinshougang Real Estate Development Co., limited.

Cash and cash equivalents as at 31 December 2013 was RMB45.46 million as compared to RMB74.42 million as at 31 December 2012.

Cash Flows Analysis

As at 31 December 2013, cash and cash equivalents include restricted bank balances of approximately RMB2.27 million mainly for securing fund for buyers in Yichang Xinshougang Real Estate Development Co., Limited.

Net cash used in operating activities is RMB2.63 million for 2013 mainly due to increase in trade receivables and other receivables. These were partially offset by decrease in properties for development.

Net cash used in investing activities for 2013 was RMB202.42 million mainly due to the payments for acquisition of a subsidiary and purchases of property, plant and equipment.

Net cash generated from financing activities for 2013 was RMB172.06 million mainly due to proceed from borrowings at CIHL (Tianjin) Water Development Company Limited.

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.

The Group expects overall global macro economy to remain challenging and uncertain and the current slowdown in the PRC property market will remain in the next 12 months, which will affect the pace of development of many projects in China, including our real estate development project and water supply service operations.

The Group's Liuhe Gold project is at the commissioning stage and is expected to commence commercial operation in the latter half of 2014.

The oil and gas exploration and exploitation is high risk and cost business. The Group's project in PNG is still at an early stage of exploration. The Group undertook further geological survey work in the past year in order to identify further prospects in the license area. The analysis of the information gathered from this field work is under way. The Group will seek the extension of the license to allow for the drilling of one or two wells for evaluation, expected to be carried out in the next couple of years.

11 Dividend

- (a) Current Financial Period Reported On
Any dividend declared for the current financial period reported on?

The directors recommend a final tax-exempt dividend of 0.35 Singapore cent per ordinary share for the year ended 31 December 2013.

- (b) Corresponding Period of the Immediately Preceding Financial Year
Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend has been declared nor recommended for the immediately preceding financial year.

- (c) Date Payable

To be announced.

- (d) Books Closure Date

To be announced.

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

Not Applicable.

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

13 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.

(a) Business activities

	Continuing operations				Discontinued operations	
	Water supply services	Land development	Property development	All other segments	Toll collection	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Financial year ended 31 December 2013						
Total segment revenue	62,594	-	92,609	705	-	155,908
Inter-segment revenue	-	-	-	(394)	-	(394)
Revenue from external parties	62,594	-	92,609	311	-	155,514
Segment results	43,410	(205)	13,279	(144)	-	56,340
Interest income	709	5,557	51	17,788	3	24,108
Rental income	-	-	-	1,245	-	1,245
Other (expense) / income	(21)	-	-	23	-	2
Administrative expenses	-	-	-	(13,847)	-	(13,847)
Other operating expenses	(7,215)	(3,266)	(2,531)	(10,153)	(2,368)	(25,533)
Selling expenses	-	-	(3,129)	-	-	(3,129)
Fair value gain on investment properties	-	-	-	5,600	-	5,600
Currency translation loss	-	-	-	(1,001)	-	(1,001)
Gain on bargain purchase	-	-	8,328	-	-	8,328
Impairment loss on non-current assets held for sale	-	-	-	-	(9,324)	(9,324)
Impairment loss on property, plant and equipment	-	-	-	-	(592)	(592)
Operating profit						42,197
Finance costs	(8,308)	-	-	(307)	-	(8,615)
Share of losses of associated companies	-	-	-	(2,081)	-	(2,081)
Income tax (expense) / credit	(8,967)	(521)	(525)	(2,856)	1,469	(11,400)
PROFIT AFTER TAX						20,101
Depreciation and amortisation	(4,675)	(53)	(214)	(1,703)	-	(6,645)
Share option expense	-	-	-	(298)	-	(298)

	Continuing operations				Discontinued operations	
	Water supply services RMB'000	Land development RMB'000	Property development RMB'000	All other segments RMB'000	Toll collection RMB'000	Total RMB'000
As at 31 December 2013						
Total assets	143,516	132,206	1,474,672	381,876	8,411	2,140,681
Total assets includes:						
Property, plant and equipment	92,733	160	104,227	13,517	-	210,637
Intangible assets	122	-	-	-	8,368	8,490
Goodwill	20,303	-	-	-	-	20,303
Investment properties	-	-	-	33,100	-	33,100
Investment in associated companies	-	-	-	97,040	-	97,040
Long-term loan receivable	-	-	-	150,000	-	150,000
Deferred income tax assets	684	-	-	21	-	705
Inventories and properties for development	1,671	-	1,298,474	-	-	1,300,145
Gross amount due from customers for contract works	267	15,367	-	-	-	15,634
Trade receivables	6,578	-	44,367	-	-	50,945
Prepayments, deposits and other receivables	628	11,958	11,274	8,837	7	32,704
Loan to others	-	104,000	-	-	-	104,000
Due from associated companies	-	-	-	59,115	-	59,115
Due from non-controlling shareholders of subsidiaries	-	-	-	10,093	-	10,093
Cash and cash equivalents	20,530	721	16,330	10,153	36	47,770
Total assets						2,140,681
Addition to non-current assets	25,849	20	19,267	73	-	45,209
As at 31 December 2013						
Total liabilities	212,752	4,632	449,307	416,556	446	1,083,693
Total liabilities includes:						
Trade payables	9,406	3,441	28,438	44	-	41,329
Other payables and accruals	1,784	670	141,372	7,689	446	151,961
Gross amount due to customers for contract work	2,912	-	-	-	-	2,912
Receipts in advance	13,296	-	7,339	135	-	20,770
Due to non-controlling shareholders of subsidiaries	-	-	85,820	248,968	-	334,788
Current income tax liabilities	1,981	521	16,525	8,328	-	27,355
Deferred income tax liabilities	-	-	169,813	5,947	-	175,760
Loan-term loan payables	183,373	-	-	145,445	-	328,818
Total liabilities						1,083,693

	Continuing Operations				Discontinued Operations	
	Water supply services RMB'000	Land development RMB'000	Property development RMB'000	All other segments RMB'000	Toll collection RMB'000	Total RMB'000
Financial year ended 31 December 2012						
Revenue	57,869	30	-	-	11,157	69,056
Segment results	35,446	(150)	-	-	5,899	41,195
Interest income	571	1,860	29	12,973	86	15,519
Rental income	-	-	-	1,017	-	1,017
Other income	29	35	-	718	30	812
Administrative expenses	-	-	-	(14,277)	-	(14,277)
Other operating expenses	(5,019)	(4,130)	-	(8,503)	(4,719)	(22,371)
Fair value gain on investment properties	-	-	-	4,600	-	4,600
Currency translation loss	-	-	-	(295)	-	(295)
Operating profit						26,200
Finance costs	(6)	-	-	(718)	(11)	(735)
Share of losses of associated companies	-	-	-	(913)	-	(913)
Income tax (expense) / credit	(4,473)	572	-	(1,336)	(293)	(5,530)
PROFIT FOR THE FINANCIAL YEAR						19,022
Depreciation and amortisation	(3,968)	(235)	-	(1,673)	(1,593)	(7,469)
Share option expense	-	-	-	(2,049)	-	(2,049)

	<u>Continuing operations</u>				<u>Discontinued operations</u>	
	Water supply services	Land development	Property development	All other segments	Toll collection	Total
	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000	RMB '000
As at 31 December 2012						
Total assets	<u>123,989</u>	<u>113,935</u>	<u>241,528</u>	<u>527,659</u>	<u>21,913</u>	<u>1,029,024</u>
Total assets includes:						
Property, plant and equipment	57,046	192	352	30,165	-	87,755
Intangible asset	122	-	-	-	17,692	17,814
Goodwill	20,303	-	-	-	-	20,303
Investment properties	-	-	-	27,500	-	27,500
Investment in an associated companies	-	-	-	100,996	-	100,996
Long term loan receivables	-	-	-	150,000	-	150,000
Deferred income tax assets	585	-	-	21	-	606
Inventories and properties for development	2,131	-	240,334	-	-	242,465
Gross amount due from customers for contract work	5,283	15,367	-	-	-	20,650
Trade receivable	5,004	-	-	-	-	5,004
Prepayments, deposits and other receivables	917	95,499	11	4,678	159	101,264
Refundable deposits	-	-	-	122,235	-	122,235
Due from associated companies	-	-	-	52,295	-	52,295
Due from related party	-	-	-	837	-	837
Due from non-controlling shareholders of subsidiaries	-	500	-	171	-	671
Cash and cash equivalents	32,598	2,377	831	38,761	4,062	78,629
Total assets						<u>1,029,024</u>
Addition to non-current assets	<u>5,565</u>	<u>-</u>	<u>-</u>	<u>18,572</u>	<u>-</u>	<u>24,137</u>
As at 31 December 2012						
Total liabilities	<u>40,347</u>	<u>3,977</u>	<u>300</u>	<u>206,949</u>	<u>4,607</u>	<u>256,180</u>
Total liabilities includes:						
Trade payables	14,877	3,441	-	-	-	18,318
Other payables and accruals	986	536	300	7,898	3,116	12,836
Gross amount due to customers for contract work	5,499	-	-	-	-	5,499
Receipt in advance	16,621	-	-	-	22	16,643
Due to non-controlling shareholders of subsidiaries	-	-	-	38,011	-	38,011
Current income tax liabilities	2,364	-	-	7,150	77	9,591
Deferred income tax liabilities	-	-	-	5,454	1,392	6,846
Long term loan payables	-	-	-	148,436	-	148,436
Total liabilities						<u>256,180</u>

(b) Geographical location

The income and profits of the Group are derived wholly in one geographical market, namely, the People's Republic of China (the "PRC").

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

This has been addressed in note 8 to this announcement.

15 A breakdown of sales.

	Latest Financial Year RMB'000 Group	Previous Financial Year RMB'000 Group	Increase/ (Decrease) %
(a) Turnover reported for first half year	28,495	23,579	20.8
(b) Operating profit after tax before deducting minority interests reported for first half year	6,682	3,148	112.3
(c) Turnover reported for second half year	127,002	34,320	270.1
(d) Operating (loss) / profit after tax before deducting minority interests reported for second half year	13,419	15,874	(15.5)

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

	2013	2012
Ordinary	-	-
Preference	-	-
Total Annual Dividend	-	-

17 If the Group has obtained a general mandate from shareholders for interested persons transactions ('IPT'), the aggregate value of such transaction as required under Rule 902(1)(a)(ii). If non mandate has been obtained, a statement to that effect.

The Group did not obtain a general mandate from shareholders for interested person transactions.

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). If there are no such persons, the issuer must make an appropriate negative statement.

None of the employees occupying a managerial position in the Company and any of its principal subsidiaries is a relative of any director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Zhang Rong Xiang
Managing Director
28 February 2014