ZIWO HOLDINGS LTD.

Incorporated in Singapore on 10 January 2008 (Company Registration Number: 200800853Z)

UNAUDITED FINANCIAL STATEMENT FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2016

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

1(a)(i) 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.

The Group's operations are principally conducted in the People's Republic of China ("PRC"). Accordingly, the consolidated financial statements have been prepared in the Chinese Renminbi ("RMB"), being the functional currency of the Group.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2016

	Fourth Quarter ended 31 December			Year ended 31 December		
	Unaudited	Unaudited	**Change**	**Unaudited**	Audited	**Change**
(RMB'000)	**2016**	2015	**%**	**2016**	2015	**%**
Revenue	**12,345**	17,398	(29.0)	**49,870**	94,547	(47.3)
Cost of sales	**(11,292)**	(19,847)	(43.1)	**(49,900)**	(87,442)	(42.9)
Gross Profit/(loss)	**1,053**	(2,449)	(143.0)	**(30)**	7,105	(100.4)
Other income	**4,153**	69	5,918.8	**4,271**	1,000	327.1
Selling and distribution expenses	**(1,609)**	(2,061)	(21.9)	**(7,704)**	(17,031)	(54.8)
Administrative expenses	**(6,318)**	(3,365)	87.8	**(14,191)**	(14,936)	(5.0)
Other operating expenses	**(8,469)**	(8,865)	(4.5)	**(24,128)**	(259,973)	(90.7)
Loss before taxation	**(11,190)**	(16,671)	(32.9)	**(41,782)**	(283,835)	(85.3)
Income tax expense	**-**	2,291	(100.0)	**-**	2,082	(100.0)
Net Loss for the period	**(11,190)**	(14,380)	(22.2)	**(41,782)**	(281,753)	(85.2)
Other comprehensive income	**-**	-	-		-	-
Total comprehensive loss for the period	**(11,190)**	(14,380)	(22.2)	**(41,782)**	(281,753)	(85.2)

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1(a)(ii) Other information

The Group's profit before taxation is derived at after charging the following:

	4th Quarter ended 31 December			Year ended 31 December		
	Unaudited	Unaudited	**Change**	**Unaudited**	Audited	**Change**
(RMB'000)	**2016**	2015	**%**	**2016**	2015	**%**
Depreciation of property, plant and equipment charged in						
Cost of goods sold	**839**	1,209	(30.6)	**4,033**	7,027	(42.6)
Administrative expenses	**448**	601	(25.5)	**1,722**	2,203	(21.8)
Selling and distribution expenses	**36**	20	80.0	**154**	213	(27.7)
Amortisation of land use rights	**134**	150	(10.7)	**536**	577	(7.1)
Loss on disposal of PPE	**1**	1,316	(99.9)	**37**	1,316	(97.2)
Interest income	**3**	39	(92.3)	**53**	745	(92.9)
Directors' remuneration						
Salaries and related cost	**210**	330	(36.4)	**840**	1,320	(36.4)
Research and development expenses	**416**	678	(38.6)	**2,140**	10,601	(79.8)
Transportation expenses	**447**	434	3.0	**2,246**	2,105	6.7
Travelling expenses	**113**	126	(10.3)	**573**	688	(16.7)
Advertisement expenses	**150**	150	-	**600**	600	-
Entertainment expenses	**59**	161	(63.4)	**509**	868	(41.4)
Impairment of PPE	**-**	-	-	**1,150**	48,961	(97.7)
Tax penalty	**-**	-	-	**-**	39,023	(100.0)
(Reversal)/write down of inventories	**443**	(1,565)	(128.3)	**443**	1,283	(65.5)
Charge for non-development of land	**2,930**	-	NA	**2,930**	-	NA
Allowance for impairment of trade receivables	**7,551**	5,196	45.3	**17,588**	18,104	(2.9)
Bad debts written off - net	**(2,236)**	3,719	(160.1)	**1,977**	3,719	(46.8)
Bad debts recovered	**1,483**	-	NA	**1,483**	-	NA
Prepaid know-how written off	**-**	-	-	**-**	8,500	(100.0)
Product defect claims and related expenses	**-**	-	-	**-**	134,180	(100.0)
Allowance for impairment of trade receivables written back	**2,622**	-	NA	**2,622**	-	NA

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UNAUDITED FINANCIAL STATEMENT FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2016

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	
RMB'000	**2016**	2015	**2016**	2015
	Unaudited	Audited	**Unaudited**	Audited
ASSETS				
Non-Current				
Land use rights	**48,493**	49,029	**-**	-
Property, plant and equipment	**96,881**	94,677	**-**	-
Subsidiaries	**-**	-	**137,078**	137,078
	145,374	143,706	**137,078**	137,078
Current				
Inventories	**6,985**	9,259	**-**	-
Trade and other receivables	**66,354**	66,923	**36,251**	36,251
Other current assets	**1,074**	175	**-**	-
Cash and cash equivalents	**2,798**	35,880	**35**	346
	77,211	112,237	**36,286**	36,597
Total assets	**222,585**	255,943	**173,364**	173,675
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	**185,637**	185,637	**185,637**	185,637
Statutory reserve	**42,794**	42,794	**-**	-
(Accumulated losses)/retained earnings	**(28,989)**	12,793	**(32,283)**	(29,838)
Total equity	**199,442**	241,224	**153,354**	155,799
LIABILITIES				
Current				
Trade and other payables	**22,857**	14,433	**20,010**	17,876
Income tax payable	**286**	286	**-**	-
Total liabilities	**23,143**	14,719	**20,010**	17,876
Total equity and liabilities	**222,585**	255,943	**173,364**	173,675

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

Amount repayable in one year or less, or on demand

None

Amount repayable after one year

None

Details of any collateral

Not applicable.

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UNAUDITED FINANCIAL STATEMENT FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2016

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.

	4th Quarter ended 31 Dec		Year ended 31 Dec	
	2016	2015	**2016**	2015
Cash flows from operating activities	**RMB'000**	RMB'000	**RMB'000**	RMB'000
Loss before taxation	**(11,190)**	(16,671)	**(41,782)**	(283,835)
Adjustments for:				
Interest Income	**(3)**	(39)	**(53)**	(745)
Depreciation of property, plant and equipment	**1,323**	1,830	**5,909**	9,443
Share award expenses	**-**	-	**-**	2,369
Prepaid know-how written off	**-**	-	**-**	8,500
Loss on disposal of PPE	**1**	1,316	**37**	1,316
Impairment of PPE	**-**	-	**1,150**	48,961
Amortisation of land use rights	**134**	150	**536**	577
(Reversal)/allowance for stock obsolescence	**443**	(1,565)	**443**	1,283
Bad debts recovered	**(1,483)**	-	**1,977**	-
Bad debts written off - net	**(2,236)**	3,719	**4,213**	3,719
Impairment of trade receivables - net	**4,929**	5,196	**14,966**	18,104
Operating cash outflows before working capital changes	**(8,082)**	(6,064)	**(18,300)**	(190,308)
Changes in working capital				
Inventories	**290**	3,475	**1,831**	2,880
Trade and other receivables	**(484)**	6,336	**(23,016)**	(15,912)
Other current assets	**(813)**	171	**(898)**	8,502
Trade and other payables	**9,043**	288	**8,424**	317
Cash (used in)/generated from operations	**(46)**	4,206	**(31,959)**	(194,521)
Interest received	**3**	39	**53**	745
Income tax paid	**-**	-	**-**	(1,804)
Net cash flows (used in)/generated from operating activities	**(43)**	4,245	**(31,906)**	(195,580)
Cash flows from investing activities				
Purchase of property, plant and equipment	**-**	-	**(1,324)**	(2,211)
Proceed from disposal of PPE	**78**	310	**148**	310
Refund of deposit for purchase of investment	**-**	-	**-**	100,000
Net cash flows generated/(used in) investing activities	**78**	310	**(1,176)**	98,099
Net decrease in cash and cash equivalents	**35**	4,555	**(33,082)**	(97,481)
Cash and cash equivalents at beginning of financial period	**2,763**	31,325	**35,880**	133,361
Cash and cash equivalents at end of financial period	**2,798**	35,880	**2,798**	35,880

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UNAUDITED FINANCIAL STATEMENT FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2016

1(d)(i) A statement (for the Group and Company) 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.

	Share capital RMB'000	Statutory reserve RMB'000	(Accmulated losses)/ retained earnings RMB'000	Total equity RMB'000
The Group				
Balance at 1 January 2016	**185,637**	**42,794**	**12,793**	**241,224**
Total comprehensive loss for the period	**-**	**-**	**(41,782)**	**(41,782)**
Balance at 31 December 2016	**185,637**	**42,794**	**(28,989)**	**199,442**
Balance at 1 January 2015	183,268	42,794	294,546	520,608
Share award expenses	2,369	-	-	2,369
Total comprehensive loss for the period	-	-	(281,753)	(281,753)
Balance at 31 December 2015	185,637	42,794	12,793	241,224
The Company				
Balance at 1 January 2016	**185,637**	**-**	**(29,838)**	**155,799**
Total comprehensive loss for the period	**-**	**-**	**(2,445)**	**(2,445)**
Balance at 31 December 2016	**185,637**	**-**	**(32,283)**	**153,354**
Balance at 1 January 2015	183,268	-	(6,698)	176,570
Share award expenses	2,369	-	-	2,369
Total comprehensive loss for the period	-	-	(23,140)	(23,140)
Balance at 31 December 2015	185,637	-	(29,838)	155,799

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 issue 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 immediately preceding financial year.

	Number of ordinary shares	Share capital (RMB'000)
Share capital as at 1 October 2016 and 31 December 2016	373,717,184	185,637

There were no change in the Company's share capital since the end of the previous period reported on and there were no outstanding convertible or treasury shares held as at 31 December 2015 and 31 December 2014.

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.

	Company	
	2016	2015
No. of ordinary shares in issue	373,717,184	373,717,184

The Company does not have any treasury shares as at 31 December 2016 and 31 December 2015.

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.

These figures have not been audited or reviewed by the Company's auditors.

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

Not applicable

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

The same accounting policies and methods of computation as in the most recently audited financial statements have been applied.

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 new and revised Financial Reporting Standards ("FRSs") which took effect from the current financial year are assessed to have no material impact to the results or the opening balances of the retained earnings of the Group and of the Company for the year ending 31 December 2016.

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. (a) based on the weighted average number of ordinary shares on issue; and (b) on a fully diluted basis (detailing any adjustment made to the earnings).

	4Q16	4Q15	**2016**	2015
(Loss)/profit after income tax (RMB'000)	**(11,190)**	(14,380)	**(41,782)**	(281,753)
Weighted average number of ordinary shares in issue (in '000)	**373,717**	373,717	**373,717**	370,247
(Loss)/earnings per share (RMB cents)				
Basic	**(2.99)**	(3.85)	**(11.18)**	(76.10)
Fully diluted	**(2.99)**	(3.85)	**(11.18)**	(76.10)

The Company does not have dilutive equity instruments as at 31 December 2016 and 31 December 2015.

7. Net assets value (for the group and the Company) 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	
	2016	2015	**2016**	2015
Net asset value (RMB'000)	**199,442**	241,224	**153,354**	155,799
Number of ordinary shares in issue (in '000)	**373,717**	373,717	**373,717**	373,717
Net asset value per share (RMB cents)	**53.4**	64.5	**41.0**	41.7

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

Commentary on Financial Results

Revenue

For the three months ended 31 December 2016 ("4Q16"), our Group recorded revenue of RMB 12.3 million, a decrease of approximately RMB 5.1 million or 29.3% from the revenue of RMB 17.4 million from the previous corresponding period ended 31 December 2015 ("4Q15"). For the year ended 31 December 2016 ("FY2016"), our revenue decreased by approximately RMB 44.6 million or 47.2% from RMB 94.5 million in the previous corresponding year ended 31 December 2015 ("FY2015") to RMB 49.9 million for FY2016. The decline in revenue was largely attributed to a general decline in demand for our products.

Cost of Sales

Our cost of sales comprise mainly raw material costs, electricity and water costs, direct labour costs and other manufacturing overheads. Cost of sales decreased by approximately RMB 8.5 million or 42.9% from RMB 19.8 million in 4Q15 to RMB 11.3 million in 4Q16. In FY2016, cost of sales decreased by approximately RMB 37.5 million or 42.9% from RMB 87.4 million in FY2015 to RMB 49.9 million in FY2016. Manufacturing overheads and labour costs declined due to scale back of production.

Gross Profit Margin

Overall gross profit margin ("GPM") of the Group improved in 4Q16 by approximately 22.6 percentage points from negative margin of 14.1% in 4Q15 to 8.5% in 4Q16. The negative margin in 4Q15 was due to a one-time sale in 4Q15 which reduced the margin. GPM for FY2016 declined by approximately 7.6 percentage points from 7.5% in FY2015 to negative margin of 0.1%. The negative margin is mainly attributed to declining demand for our products as a result of weak market sentiments which in turn had a downward pressure on our average market price. The Group had reduced average selling price of sandwich mesh fabric by approximately 14% and SBR and other foamed materials by approximately 10%-15% from FY2015 average selling price.

Other Income

Other income increased by approximately RMB 4.1 million from RMB 69 thousand in 4Q15 to RMB 4.2 million in 4Q16 mainly due to bad debts recovered amounting to RMB 1.5 million and allowance for impairment of trade receivables written back amounting to RMB 2.6 million and income from sale of scrap materials and interest income from bank deposits. For FY2016, other income increased by RMB 3.3 million or 327.1% from RMB 1.0 million in FY2015 to RMB 4.3 million largely due to bad debts recovered and allowance for impairment of trade receivables written back which is offset by decrease in sale of scrap material and interest income from bank deposits.

Selling and Distribution Expenses

Selling and distribution expenses comprise mainly transportation costs, salaries, entertainment expenses, advertisement expenses, sales related tax, R&D expenses, travelling expenses and depreciation expenses. Selling and distribution expenses decreased by RMB 0.5 million or 23.8% from RMB 2.1 million in 4Q15 to RMB 1.6 million in 4Q16. In FY2016, selling and distribution expenses decreased by approximately RMB 9.3 million or 54.7% from RMB 17.0 million in FY2015 to RMB 7.7 million in FY2016. The decrease was largely due to decrease in R&D expenses, travelling and entertainment expenses, and partially offset by increase in transportation expenses.

Administrative Expenses

Administrative expenses comprise mainly salaries, staff welfare, share award expenses, general office expenses, insurance, professional fees, travelling expenses and depreciation expenses. Administrative expenses increased by approximately RMB 2.9 million or 85.3% from RMB 3.4 million in 4Q15 to RMB 6.3 million in 4Q16. The increase in administrative expenses was largely attributed to additional provison amounting to RMB 1.9 million for property tax relating to a piece

of land belonging to our subsidiary and increase in staff welfare amounting to RMB 0.6 million.

Administrative expenses decreased by RMB 0.7 million or 4.7% from RMB 14.9 million in FY2015 to RMB 14.2 million in FY2016. The decrease in administrative expenses was largely attributed to depreciation, professional fees and absence of share award expenses in FY2016. The decrease is partially offset by an increase in provision for property tax relating to our subsidiary.

Other Operating Expenses

Other operating expenses comprise mainly allowance for impairment of trade receivables, impairment of PPE, write-down of inventory, bad debts expenses, and in prior year, prepaid know-how written off, product defect claims and tax penalty. In 4Q16, other operating expenses decreased slightly by approximately RMB 0.4 million. In FY2016, operating expenses decreased by RMB 235.9 million mainly due to prior year impairment of PPE amounting to RMB 49.0 million in FY2015 and one-off expenses of prepaid know-how written off amounting to RMB 8.5 million, product defect claim totaling RMB 134.2 million, late delivery compensation of RMB 4.7 million and tax penalty of RMB 39.0 million in FY2015. In FY2016, included in other operating expenses was a charge of RMB 2.9 million by the Quanzhou Land Department against a subsidiary of the Company relating to the non-development of land purchased from the Quanzhou Land Department in 2010.

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

Assets

Our non-current assets comprise mainly property, plant and equipment and land use rights.

Net book value of property, plant and equipment ("PPE") increased by approximately RMB 2.2 million from RMB 94.7 million as at 31 December 2015 to RMB 96.9 million as at 31 December 2016 mainly due to the addition of new machinery. Land use rights amounted to RMB 48.5 million as at 31 December 2016 after amortization charge.

Our current assets comprise inventories, trade and other receivables, other current assets and cash and cash equivalent.

Inventories comprised raw materials, finished goods, work-in-progress ("WIP") and consumables. Inventories decreased by approximately RMB 2.3 million from RMB

9.3 million as at 31 December 2015 to RMB 7.0 million as at 31 December 2016.

Trade and other receivables decreased by RMB 0.5 million from RMB 66.9 million as at 31 December 2015 to RMB 66.4 million as at 31 December 2016. Included in other receivables is a deposit amounting to RMB 28.0 million brought forward from 2015 for the purchase of new equipment.

Cash and cash equivalents decreased by approximately RMB 33.1 million from RMB 35.9 million as at 31 December 2015 to RMB 2.8 million as at 31 December 2016 due to the losses sustained during the year.

Liabilities

Our current liabilities amounted to RMB 23.1 million as at 31 December 2016, an increase of approximately RMB 8.4 million from RMB 14.7 million as at 31 December 2015 mainly due to increase from amount due to a Director.

Commentary on Statement of Cashflows

Net cash used in operating activities was RMB 43 thousand in 4Q16 compared to net cash generated from operating activities of RMB 4.2 million in 4Q15. For year ended December 2016, cash used in operating activities was RMB 31.9 million compared to cash used in operating activities of RMB 195.6 million in FY2015. This was mainly due to one-off product defect claims and tax penalty paid in prior year. As at 31 December 2016, the Group's cash and cash equivalents decreased from RMB 35.9 million as at 31 December 2015 to RMB 2.8 million.

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

Our current result is in line with our statement made under paragraph 10 in our third quarter results announcement released on 14 November 2016.

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 event that may affect the Group in the next reporting period and the next 12 month

The Group continues to experience the effects of the persistent slowdown in the manufacturing industry in China. Due to the slowdown in demand for consumers

and lifestyle products, coupled with competition from cheaper and more varied alternatives, orders for SBR foam have tapered down further and the situation may deteriorate even more.

Group revenue and gross profit margin are likely to be affected further. The Company has been actively looking for other business opportunities, including diversification, viable ventures or collaborative opportunities to expand its revenue base. To this end, the Group has acquired 315,000 ordinary shares representing 45% of the entire issued and paid-up share capital of Estar Investments Pte. Ltd., as announced on 20 February 2017.

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/recommended, a statement to that effect.

No dividend has been declared or recommended for the year ended 31 December 2016.

13. Interested Person Transactions ("IPT")

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.

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

The Company does not have a general mandate from shareholders for IPT.

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.

	Multifilament yarn		Sandwich mesh fabric and others		SBR and other foamed material		Total	
	2016	2015	**2016**	2015	**2016**	2015	**2016**	2015
	RMB	RMB	**RMB**	RMB	**RMB**	RMB	**RMB**	RMB
	'000	'000	**'000**	'000	**'000**	'000	**'000**	'000
Revenue								
External sales	**12**	20,074	**6,623**	13,301	**43,235**	61,172	**49,870**	94,547
Segment results	**(18)**	1,269	**(1,209)**	(1,126)	**1,197**	6,962	**(30)**	7,105
Interest income							**53**	745
Other income							**4,218**	255
Product defect claims	**-**	(134,180)	**-**	-	**-**	-	**-**	(134,180)
Unallocated expense							**(46,023)**	(157,760)
Loss before taxation							**(41,782)**	(283,835)
Income tax expense							**-**	2,082
Loss after tax							**(41,782)**	(281,753)
Other information								
Capital expenditure	**-**	-	**-**	-	**1,324**	1,845	**1,324**	1,845
Depreciation of property, plant and equipment	**471**	3,411	**607**	553	**4,138**	4,686	**5,216**	8,650
Amortisation of land use rights	**35**	35	**26**	26	**103**	53	**164**	114
Allowance for impairment loss of trade	**2,143**	3,436	**11,208**	2,680	**23,149**	11,988	**36,500**	18,104

receivables								
Unallocated:								
Capital expenditure							**-**	366
Depreciation of property, plant and equipment							**693**	793
Amortisation of land use rights							**372**	463
Segment assets	**14,101**	8,612	**22,917**	24,638	**114,263**	118,728	**151,281**	151,978
Unallocated corporate assets							**68,525**	103,965
Total assets							**219,806**	255,943
Segment liabilities	**-**	-	**-**	-	**-**	-	**-**	-
Unallocated corporate liabilities							**23,143**	14,719
Total liabilities							**23,143**	14,719

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.

Please refer to Paragraph 8 above for details.

16. A breakdown of sales

	Group		**Change**
	2016	2015	**%**
	RMB'000	RMB'000	
Sales for the first half year	**28,111**	59,519	**(57.8)**
Operating loss after tax before deducting non-controlling interest for the first half year	**(24,588)**	(54,488)	**(54.9)**

Sales for the second half year	**21,759**	35,028	**(37.9)**
Operating loss after tax before deducting non-controlling interest for the second half year	**(19,973)**	(227,265)	**(91.2)**

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

Not applicable

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Wong Kim Chu	48	Wife of Mr. Ting Chun Yuen, Executive Chairman & CEO and substantial shareholder of the Company	Sales Manager Responsible for the sales and marketing activities of the Group. Since August 2003	None
Wang Jianhong	39	Brother-in-law of Mr. Ting Chun Yuen, Executive Chairman & CEO and substantial shareholder of the Company	Procurement Manager Responsible for the procurement activities of the Group. Since May 2004	None

Ding Yashuang	54	Sister of Mr. Ting Chun Yuen, Executive Chairman & CEO and substantial shareholder of the Company	Production Manager for Terylene Filament Yarn Responsible for the production activities of terylene filament yarn. Since May 2006	None
Zhuang Shuhuang	57	Brother-in-law of Mr. Ting Chun Yuen, Executive Chairman & CEO and substantial shareholder of the Company	Production Manager for SBR and Other Foamed Materials Responsible for the production activities of SBR and other foamed materials. Since October 2006	None

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).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Ting Chun Yuen
Executive Chairman & CEO
01 March 2017