

**CHINA MINING INTERNATIONAL LIMITED**

中矿国际有限公司

Registered in Cayman Islands

Company Registration No. CT-140095

---

**UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2012  
("Q1 2012") IN RESPECT OF THE FINANCIAL YEAR ENDING 31 DECEMBER 2012 ("FY2012")**

---

**PART1 INFORMATION REQUIRED FOR ANNOUNCEMENT OF 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 year of the immediately preceding financial year

	The Group		
	Q1 2012	Q1 2011	%
	RMB'000	RMB'000	Change
Revenue	28,853	27,099	6
Cost of sales	(19,022)	(21,474)	(11)
Gross profit	9,831	5,625	75
Other operating income	137	455	(70)
Fair value gains on financial assets	12,647	-	N/M
Share of losses of associates	(1,464)	(828)	77
Share of losses of jointly controlled entities	(55)	-	N/M
Selling and distribution expenses	(629)	(1,803)	(65)
General and administrative expenses	(7,380)	(8,811)	(16)
Finance income	1,487	1,351	10
Profit/(loss) before tax	14,574	(4,011)	N/M
Income tax expense	(5,521)	(910)	507
Profit/(loss) for the period	9,053	(4,921)	N/M

"Q1 2011" and "Q1 2012" denotes the 3 financial months of financial period ended 31 March 2011 and 31 March 2012 respectively

"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure

"N/M" denotes "Not meaningful"

**1.(a)(ii) The accompanying notes to the unaudited financial statements form an integral part of the financial statements**

	<b>The Group</b>		
	<b>Q1 2012</b>	Q1 2011	%
	<b>RMB'000</b>	RMB'000	Change
Profit/(loss) before tax has been arrived at after charging/(crediting):			
Amortisation of land use rights	-	(1)	N/M
Depreciation of property, plant and equipment	<b>567</b>	2,349	(76)
Foreign currency exchange gain	<b>(16)</b>	(140)	(89)
Interest income	<b>(95)</b>	(130)	(27)
Loss on disposal of property, plant and equipment	<b>54</b>	-	N/M
Amortisation of discount on long-term receivables	<b>(1,487)</b>	(1,351)	10

*“Q1 2011” and “Q1 2012” denotes the 3 financial months of financial period ended 31 March 2011 and 31 March 2012 respectively*

*“% Change” denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure*

*“N/M” denotes “Not meaningful”*

**1.(b)(i) A statements of financial position (for the issuer and group) together with a comparative statement as at the end of the immediately preceding financial year**

**Statements of financial position of the Group and the Company as at 31 December 2011 and 31 March 2011**

	<b>The Group</b>		<b>The Company</b>	
	<b>31 March 2012 RMB'000</b>	<b>31 December 2011 RMB'000</b>	<b>31 March 2012 RMB'000</b>	<b>31 December 2011 RMB'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	8,423	8,620	2	3
Land use rights	62	62	-	-
Investment properties	131,139	131,139	-	-
Amounts due from a related party	61,761	60,445	-	-
Investments in subsidiaries	-	-	213,738	213,738
Investments in associates	50,348	51,811	-	-
Equity accounted investment in joint ventures	306,667	306,722	-	-
	<b>558,400</b>	<b>558,799</b>	<b>213,740</b>	<b>213,741</b>
<b>Current assets</b>				
Completed properties for sale	172,027	190,970	-	-
Properties under development for sale	78,741	68,250	-	-
Trade receivables	-	399	-	-
Prepayments and other receivables	35,780	34,094	-	-
Amounts due from subsidiaries	-	-	497,151	497,115
Amounts due from related parties	9,333	9,333	-	-
Amounts due from joint ventures	1,921	-	-	-
Income tax recoverable	1,654	1,568	-	-
Available for sale financial assets	-	16,000	-	-
Financial assets at fair value through profit or loss	41,647	-	-	-
Pledged bank deposits	5,832	5,354	-	-
Cash and cash equivalents	64,166	100,565	120	1,978
	<b>411,101</b>	<b>426,533</b>	<b>497,271</b>	<b>499,093</b>
<b>Current liabilities</b>				
Trade payables	42,952	48,204	-	-
Sales and rental deposits	79,092	91,755	-	-
Accruals and other payables	42,417	49,433	502	1,284
Amount due to subsidiaries	-	-	665	665
Amounts due to related parties	16,043	15,807	10,888	10,888
Amounts due to joint venture partner	7,078	10,402	-	-
Income tax payables	49,985	50,005	-	-
	<b>237,567</b>	<b>265,606</b>	<b>12,055</b>	<b>12,837</b>
<b>Net current assets</b>	<b>173,534</b>	<b>160,927</b>	<b>485,216</b>	<b>486,256</b>
	<b>731,934</b>	<b>719,726</b>	<b>698,956</b>	<b>699,997</b>
<b>Capital and reserves</b>				
Issued capital	368,358	368,358	368,358	368,358
Share premium	224,594	224,594	224,594	224,594
Treasury Shares	(18)	(18)	(18)	(18)
Capital reserve	49,031	49,031	-	-
Retained earnings	75,556	66,503	106,022	107,063
Equity attributable to owners of the Company	717,521	708,468	698,956	699,997
Non-controlling interests	-	-	-	-
Total equity	<b>717,521</b>	<b>708,468</b>	<b>698,956</b>	<b>699,997</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	14,413	11,258	-	-
	<b>14,413</b>	<b>11,258</b>	<b>-</b>	<b>-</b>
	<b>731,934</b>	<b>719,726</b>	<b>698,956</b>	<b>699,997</b>

**1.(b)(ii) In relation to the aggregate amount of group's borrowings and debt securities, specify the following as at the end of the current financial year reported on with comparative figures as at the end of the immediately preceding financial year:**

There is no borrowing or debt security as at 31 December 2011 and 31 March 2012.

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

	<b>The Group</b>	
	<b>Q1 2012</b>	<b>Q1 2011</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>OPERATING ACTIVITIES</b>		
Profit/(loss) before tax	14,574	(4,011)
Adjustments for:		
Amortisation of land use rights	-	(1)
Depreciation of property, plant and equipment	567	2,349
Foreign currency exchange gain	(16)	(140)
Fair value gains on financial assets	(12,647)	-
Interest income	(95)	(130)
Loss on disposal of property, plant and equipment	54	-
Amortisation of discount on long-term receivables	(1,487)	(1,351)
Share of results of associates	1,463	828
Share of results of jointventure	55	-
Operating profit/(loss) before working capital changes	<u>2,468</u>	<u>(2,456)</u>
Completed properties for sale	18,943	12,172
Properties under development for sale	(10,476)	(24,945)
Trade receivables	399	(843)
Prepayments and other receivables	(1,960)	(14,014)
Trade payables	(5,252)	(8,778)
Sales and rental deposits	(12,663)	47,907
Accruals and other payables	(8,416)	(6,593)
Cash (used in)/generated from operations	<u>(16,957)</u>	<u>2,450</u>
Income tax paid	<u>(4,225)</u>	<u>(2,545)</u>
<b>NET CASH USED INOPERATING ACTIVITIES</b>	<u><b>(21,182)</b></u>	<u><b>(95)</b></u>
<b>INVESTING ACTIVITIES</b>		
Increase in pledged bank deposits	(478)	(1,046)
Proceed from disposal of projects	-	1,950
Deposit for a jointly controlled investment	-	(68,000)
Interest received	95	130
Net cash out flows for disposal of subsidiaries (note 1)	-	-
Purchase of property, plant and equipment	(149)	(2)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<u><b>(532)</b></u>	<u><b>(66,968)</b></u>
<b>FINANCING ACTIVITIES</b>		
Amounts received from/(repaid to) related parties	236	(1,664)
Amounts advanced to joint ventures	(1,921)	-
Investment in quoted security	(49,240)	-
Receipts on relisation of investment in quoted security	20,240	-
Receipts on maturity of structured deposit	16,000	-
Interest paid	-	(644)
Proceeds from borrowings	-	50,000
<b>NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES</b>	<u><b>(14,685)</b></u>	<u><b>47,692</b></u>
<b>DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u><b>(36,399)</b></u>	<u><b>(19,371)</b></u>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<u><b>100,565</b></u>	<u><b>59,670</b></u>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u><u><b>64,166</b></u></u>	<u><u><b>40,299</b></u></u>

**NOTE 1: DISPOSAL OF SUBSIDIARY**

	<b>The Group</b>	
	<b>Q1 2012</b>	<b>Q1 2011</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Cash and cash equivalents	<u>8,622</u>	<u>-</u>
Net identifiable assets disposed	<b>8,622</b>	-
Gain on disposal	<u>-</u>	<u>-</u>
Proceeds from disposal	<u>8,622</u>	<u>-</u>
Less: cash and bank balances disposed	<u>8,622</u>	<u>-</u>
Net cash outflows from disposal of subsidiary	<u>-</u>	<u>-</u>

1.(d) A statements of comprehensive income (for the issuer and group), together with a comparative statement for the corresponding year of the immediately preceding financial period.

**Unaudited consolidated statements of comprehensive income of the Group and the Company for the 3-months period ended 31 March 2011 and 31 March 2012**

**Total comprehensive income/(expense) for the period attributable to:**

	<b>The Group</b>	
	<b>Q1 2012</b>	<b>Q1 2011</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Profit/(loss) for the period	9,053	(4,921)
Other comprehensive income for the period	-	-
<b>Total comprehensive income/(expense) for the period</b>	<b>9,053</b>	<b>(4,921)</b>

	<b>The Group</b>	
	<b>Q1 2012</b>	<b>Q1 2011</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Owners of the Company	9,053	(3,356)
Non-controlling interests	-	(1,565)
<b>Total comprehensive income/(expense) for the period</b>	<b>9,053</b>	<b>(4,921)</b>

**Total comprehensive (expense)/income for the period attributable to:**

	<b>The Company</b>	
	<b>Q1 2012</b>	<b>Q1 2011</b>
	<b>RMB'000</b>	<b>RMB'000</b>
(Loss)/income for the period	(1,040)	126
Other comprehensive expense for the period	-	-
<b>Total comprehensive (expense)/income for the period</b>	<b>(1,040)</b>	<b>126</b>

	<b>The Company</b>	
	<b>Q1 2012</b>	<b>Q1 2011</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Owners of the Company	(1,040)	126
Non-controlling interests	-	-
<b>Total comprehensive (expense)/income for the period</b>	<b>(1,040)</b>	<b>126</b>

**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 year of the immediately preceding financial year.**

**Unaudited consolidated statement of changes in equity of the Group for the year ended 31 March 2011 and 31 March 2012**

	<b>The Group</b>								
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Share option reserve RMB'000	Treasury Shares RMB'000	Retained earnings RMB'000	Attributable to owners of the Company RMB'000	Non controlling interests RMB'000	Total RMB'000
Balance at 1.1.2012	368,358	224,594	49,031	-	(18)	66,503	708,468	-	708,468
Comprehensive Income for the period	-	-	-	-	-	9,053	9,053	-	9,053
<b>Balance at 31.3.2012</b>	<b>368,358</b>	<b>224,594</b>	<b>49,031</b>	<b>-</b>	<b>(18)</b>	<b>75,556</b>	<b>717,521</b>	<b>-</b>	<b>717,521</b>

	<b>The Group</b>								
	Share capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Share option reserve RMB'000	Treasury Shares RMB'000	Retained earnings RMB'000	Attributable to owners of the Company RMB'000	Non controlling interests RMB'000	Total RMB'000
Balance at 1.1.2011	368,358	224,094	49,031	-	-	274,838	853,851	11,775	865,626
Comprehensive expense for the period	-	-	-	-	-	(3,356)	(3,356)	(1,565)	(4,921)
Balance at 31.3.2011	368,358	224,094	49,031	-	-	271,482	850,495	10,210	860,705

	<b>The Company</b>					
	Share capital RMB'000	Share premium RMB'000	Share option reserve RMB'000	Treasury Shares RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1.1.2012	368,358	224,594	-	(18)	107,063	699,997
Comprehensive expense for the period	-	-	-	-	(1,041)	(1,041)
<b>Balance at 31.3.2012</b>	<b>368,358</b>	<b>224,594</b>	<b>-</b>	<b>(18)</b>	<b>106,022</b>	<b>698,956</b>

	<b>The Company</b>					
	Share capital RMB'000	Share premium RMB'000	Share option reserve RMB'000	Treasury Shares RMB'000	Retained earnings RMB'000	Total RMB'000
Balance at 1.1.2011	305,888	224,094	-	-	107,588	637,570
Comprehensive expense for the period	-	-	-	-	126	126
Balance at 31.3.2011	305,888	224,094	-	-	107,714	637,696

**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 year 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 issued shares excluding treasury shares of the issuer, as at the end of the current financial year reported on and as at the end of the corresponding year of the immediately preceding financial year.**

Issued Capital

There was no movement in the Company's share capital during the 3-month period ended 31 March 2012.

Sunshine Employee Share Option Scheme

No share options were issued for the year ended 31 December 2011 and there was no ordinary share that may be issued upon the exercise of any share option outstanding as at 31 March 2012 (31 December 2011: Nil).

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.**

Total number of issued ordinary shares at 1.1.2012	
and 31.3.2012 (excluding treasury shares)	1,173,508,000

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

	<u>Group and Company</u>	
	<b>Number of ordinary shares</b>	<b>RMB'000</b>
Treasury shares at 1.1.2012	92,000	18
Share buy-back during the period	-	-
Treasury shares at 31.3.2012	<u>92,000</u>	<u>18</u>

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

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



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

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

**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 adopted by the Group in respect of the audited financial statements for the financial year ended 31 December 2011 have been consistently applied by the Group for the financial year presented.

**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.**

There are no changes in the accounting policies and methods of computation, including any required by an accounting standard.

**6. Earnings per ordinary share of the group for the current year reported on and the corresponding year 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 adjustments made to the earnings).**

	The Group	
	Q1 2012 RMB'000	Q1 2011 RMB'000
<b>Profit/(loss) attributable to owners of the Company</b>	<b>9,053</b>	<b>(3,356)</b>
Basic (Singapore cents) <sup>(1)</sup>	<b>0.15 cents<sup>(2)</sup></b>	<b>(0.07) cents<sup>(2)</sup></b>
Diluted (Singapore cents) <sup>(1)</sup>	<b>0.15 cents<sup>(3)</sup></b>	<b>(0.07) cents<sup>(3)</sup></b>

**Notes:**

- (1) Calculated based on the average exchange rate in Q1 2012: S\$1: RMB5.03 (Q1 2011: S\$1: RMB5.16)
- (2) Based on the issued ordinary shares of 978,000,000 for the period ended 31 March 2011 and issued ordinary shares excluding treasury shares of 1,173,508,000 for the period ended 31 March 2012. No new shares are issued in Q1 2011 and Q1 2012.
- (3) The Company has no dilutive potential ordinary shares in Q1 2011 and Q1 2012.

**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 year reported on; and (b) immediately preceding financial year.**

	<b>The Group</b>		<b>The Company</b>	
	<b>31 March 2012</b> RMB'000	31 December 2011 RMB'000	<b>31 March 2012</b> RMB'000	31 December 2011 RMB'000
Net asset value (excluding non-controlling interests) as at end of financial year	<b>717,521</b>	708,468	<b>698,956</b>	699,997
Net asset value per ordinary share as at the end of financial year (Singapore cents) <sup>(1)</sup>	<b>12.18 cents</b>	12.37 cents	<b>11.86 cents</b>	12.22 cents

**Note:**

(1) Calculated based on exchange rate of S\$1: RMB5.02 as at 31 March 2012 (as at 31 December 2011: S\$1: RMB4.88) and 1,173,508,000 ordinary shares (excluding treasury shares) as at 31 December 2011 and 31 March 2012.

**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 year 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 year reported on.**

**(a) Review of consolidated statement of comprehensive income of the Group for Q1 2012 (relative to that for Q1 2011)**

**Turnover**

The Group's turnovers (net of sales tax) generated in Q1 2012 and Q1 2011 were as follow:

	<b>Q1 2012</b>		<b>Q1 2011</b>	
	<b>RMB million</b>	<b>%</b>	<b>RMB million</b>	<b>%</b>
(1) Sales of developed properties	<b>27.4</b>	<b>95</b>	15.7	58
(2) Rental income	<b>1.5</b>	<b>5</b>	10.2	38
(3) Property management income	-	-	1.2	4
	<b>28.9</b>	<b>100</b>	27.1	100

Our overall turnover increased by RMB1.8 million or 6% from RMB27.1 million in Q1 2011 to RMB28.9 million in Q1 2012, principally as a result of increased sales of developed properties chiefly in respect of completed units for the Xixiang Sunny Town Project (新乡阳光新城项目) in Q1 2012.

The decrease in rental income was attributed mainly to the disposal of Beijing Sunshine Elegant Jade Real Estate Co., Ltd (北京阳光美基置业有限公司) and Beijing Feng Bao Heng Investments Co., Ltd (北京丰宝恒投资有限公司) (collectively, the "Beijing Subsidiaries") to certain unrelated parties for a cash consideration of RMB8.0 million (the "Beijing Disposal") in Q2 2011 as announced by the Company on 1 June 2011. The Beijing Subsidiaries were principally engaged in the sub-leasing of two hotels in Beijing to a third party.

The Group ceased to have any property management income subsequent to the disposal of Henan Huilong Property Management Co., Ltd (河南辉龙物业管理有限公司) as announced by the Company on 6 March 2012.

**Gross profit**

In line with the higher turnover, our gross profit increased by RMB4.2 million or 75% from RMB5.6 million in Q1 2011 to RMB9.8 million in Q1 2012. Our Group also registered a higher gross profit margin of 34% in Q1 2012 compared to 21% in Q1 2011, due primarily to the fact that the units sold in Q1 2012 comprised more high-rise residential units which command higher gross profit margins relative to that in Q1 2011.

### **Other operating income**

Our other operating income decreased by RMB318,000 or 70% from RMB455,000 in Q1 2011 to RMB137,000 in Q1 2012, mainly attributed to lower interest income earned and exchange gain attained in Q1 2012 relative to Q1 2011.

### **Fair value gains on financial assets**

As announced by the Company on 13 January 2012, the Group invested in a quoted security listed on the Shenzhen Stock Exchange during Q1 2012 (the "Quoted Investment"). The fair value gain on the Quoted Investment was computed based on the Quoted Investment's closing share price as at 31 March 2012 relative to the initial investment cost.

### **Share of loss of associates**

Share of loss of associates increased by RMB0.6 million or 77% from RMB0.8 million in Q1 2011 to RMB1.5 million in Q1 2012. The increase was attributed principally to increased operating expenses incurred following the commencement of pre-sale activities since Q4 2011 in respect of residential units owned by the associated group of companies, being Climbing Ace Limited (攀峰有限公司) together with its subsidiaries (collectively, the "Climbing Ace Group"), comprising Xinxiang Gaojie Technology Development Co., Ltd (新乡高捷科技发展有限公司), Xinxiang Antai Commerce Co., Ltd (新乡市安泰商贸有限公司) and Hainan Sunshine Elegant Jade Investment & Development Co., Ltd (海南阳光美基投资开发有限公司).

### **Share of loss of joint venture**

There was no share of loss of joint venture in Q1 2011 as the joint ventures were acquired only in Q4 2011.

### **Selling and distribution expenses**

Our selling expenses decreased by RMB1.2 million or 65% from RMB1.8 million in Q1 2011 to RMB0.6 million in Q1 2012 following:

- (i) the Beijing Disposal in Q2 2011;
- (ii) the disposal of the entire equity interest in Zhoukou Xin Shi Jia Real Estate Co., Ltd (周口新世家置业有限公司) (the "Zhoukou Company") to two unrelated third parties (the "Zhoukou Disposal") for a cash consideration of RMB21.6 million as announced by the Company in Q3 2011 on 13 September 2011; and
- (iii) the disposal of the entire equity interest in Ace Build Limited, which wholly-owned Wealthy Ray Limited (利晖有限公司), Meiji Shangqiu Real Estate Co., Ltd (美基商丘置业有限公司) and Meiji Luoyang Real Estate Co., Ltd (美基洛阳置业有限公司) (the "Ace Disposal") as announced by the Company in Q4 2011 on 23 November 2011, 1 December 2011 and 2 December 2011.

### **General and administrative expenses**

General and administrative expense decreased by RMB1.4 million or 16% from RMB8.8 million in Q1 2011 to RMB7.4 million in Q1 2012, attributed mainly to the Beijing Disposal, Zhoukou Disposal and Ace Disposal during 2011.

### **Finance income**

The finance income of RMB1.4 million and RMB1.5 million recognised in Q1 2011 and Q1 2012 respectively were principally attributed to the amortization of the fair value of long-term receivables (net of interest expense).

### **Profit/(loss) before tax**

Following from the above, we attained a profit before tax of RMB14.6 million in Q1 2012 *vis-à-vis* a loss before tax of RMB4.0 million registered in Q1 2011.

### **Income tax expense**

Our income tax expense increased by RMB4.6 million or over 5-fold from RMB0.9 million in Q1 2011 to RMB5.5 million in Q1 2012. This was due principally to the increased profit before tax attained in Q1 2012 by one of our subsidiaries, Xinxiang Huilong Real Estate Co., Ltd (新乡辉龙置业有限公司), and the deferred tax liability of RMB3.2 million accrued in connection to the fair value gain recognised in Q1 2012 on the Quoted Investment.

### **Net profit/loss attributable to owners of the Company**

Accordingly, the amount attributable to the owners of the Company was a net profit of RMB9.1 million in Q1 2012 *vis-à-vis* a net loss of RMB4.9 million in Q1 2011.

## **Non-controlling interests**

Following the Beijing Disposal and the de-registration of a non-wholly owned subsidiary, Luoyang Meiji Yubo Real Estate Co., Ltd (洛阳美基豫博置业有限公司), in Q2 2011, the Company no longer has any material non-controlling shareholder.

## **(b) Review of statements of financial position of the Group as at 31 March 2012 (relative to that as at 31 December 2011)**

### **Non-current assets**

Our non-current assets decreased by RMB0.4 million or 0.1% from RMB558.8 million as at 31 December 2011 to RMB558.4 million as at 31 March 2012. The decrease was attributed mainly to the increased share of losses on investments in associates for Q1 2012 net off an increase in amounts due from a related party as a result of the amortization of the fair value of long-term receivables (net of interest expense).

### **Current assets**

Our completed properties for sale decreased by RMB18.9 million or 10% due mainly to the delivery of completed units to clients in Q1 2011.

The decrease in cash and bank balances by RMB36.4 million or 36% from RMB100.6 million as at 31 December 2011 to RMB64.2 million as at 31 March 2012 was due principally to the payment of operating expenses and the Quoted Security Investment made in Q1 2011.

An excess cash of RMB16.0 million was placed as an available-for-sale investment via a structured deposit with a local bank towards the end of FY2011. The said deposit, which matured in early January 2012, had since been rolled into the current account of the Group.

The properties under development for sale increased by RMB10.5 million or 15.4% from RMB68.3 million as at 31 December 2011 to RMB78.7 million as at 31 March 2012, due principally to the continuous development of the Xinxiang Sunny Town Project (新乡阳光新城项目) in Q1 2012.

The financial assets at fair value through profit or loss relate to the Quoted Investment.

The amounts due from joint ventures were attributed principally to advances made in Q1 2012 to the mining joint ventures forged by the Company, substantial amount of which had since been repaid as at the date of this announcement .

Taken as a whole, our current assets decreased by RMB15.4 million or 4% from RMB426.5 million as at 31 December 2011 to RMB411.1 million as at 31 March 2012.

### **Current liabilities**

Our sales and rental deposits collectively decreased by RMB12.7 million or 14%, due principally to the recognition of sales deposits as revenue upon the delivery of the completed property units to the owners concerned.

The decreases in trade payables by RMB5.3 million or 11%, accruals and other payables by RMB7.0 million or 14% and amounts due to joint venture partner by RMB3.3 million or 32% were in line with settlements made by the Group in Q1 2012.

Taken as a whole, our current liabilities decreased by RMB28.0 million or 11% from RMB265.6 million as at 31 December 2011 to RMB237.6 million as at 31 March 2012.

Following from the above, our working capital improved by RMB12.6 million or 8% from RMB160.9 million as at 31 December 2011 to RMB173.5 million as at 31 March 2012 though we registered net cash used in operating activities of RMB21.2 million in Q1 2012 compared to RMB95,000 in Q1 2011.

## **Non-controlling interests**

The Group no longer has any material non-controlling interest as at 31 March 2012 following the disposal of all non-wholly-owned subsidiaries in FY2011.

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

Nil

**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 year and the next 12 months.**

The spate of cooling-off measures introduced by the PRC government coupled with the slowing down of the Chinese economy continue to pose challenges in the foreseeable future to the sales progress of the Group's property business.

In contrast, preparation for the application of the mining licence, in respect of the two mines of the Group is progressing as planned.

*Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, undue reliance must not be placed on these statements.*

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

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

No.

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

No.

**(b)(ii) Previous corresponding period (cents)**

No.

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

No.

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

No.

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

No.

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

No dividend has been declared or recommended for Q1 2012.

13. If the group has obtained 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 the interested person	Aggregate value of all interested person transactions during the financial year 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 transactoins conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	RMB'000	RMB'000
Nil	-	-

The Company does not have any general mandate from the Shareholders for interested party transaction.

**BY ORDER OF THE BOARD**

**Mr Guo Yinghui**  
**Executive Chairman**  
**15 May 2012**

**CHINA MINING INTERNATIONAL LIMITED**

Registered in Cayman Islands  
Company Registration No. CT-140095

**CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL**

To the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the financial statements of the Group and the Company for the three months ended 31 March 2012 to be false or misleading in any material aspect.

Signed for and on behalf of the Board of Directors

**Mr Li Bin**  
CEO and Director

**Ms Dong Lingling**  
Director

15 May 2012