

Full Year Financial Statement And Dividend Announcement for the Year Ended 31 December 2017

PART1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a)(i) 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 Year ended 31 December		
	2017 RMB'000	2016 RMB'000	Changes %
Revenue	35,021	65,172	(46.3)
Cost of sales	(4,655)	(40,574)	(88.5)
Gross profit	30,366	24,598	23.4
Other operating income	48,293	18,276	>100
Selling and distribution expenses	(1)	(1,588)	(99.9)
Administrative expenses	(24,499)	(34,746)	(29.9)
Finance costs	(19,035)	(20,235)	(0.6)
Share of profit of Associate	1,056	882	19.7
Profit/(Loss) before income tax	36,180	(12,813)	NM
Income tax	(13,417)	2,432	NM
Profit/(Loss) for the year representing total comprehensive income for the year	22,763	(10,381)	NM
Notes to the above statement of comprehensive income:			
Profit/(loss) is arrived at after charging/(crediting) the following:			
Interest income	20	548	(96.4)
Government grants	119	1,915	93.8
Recognition of compensation amounts (N1)	54,032	26,661	>100
Property, plant and equipment written off of (N2)	(19,347)	-	>100
Gain on disposal of held for trading investments	80	48	66.7
Fair value gain/(loss) on held for trading investments	104	(597)	NM
Loss on disposal of property, plant and equipment	(6,123)	(8,137)	(24.7)
Loss on disposal of inventories	-	(2,329)	NM
Margin on recovery of sewage costs from lessees(N3)	22,309	4,567	>100
Depreciation of property, plant and equipment	(21,612)	(19,908)	7.8

(NM: Not meaningful)

N1 – The deferred income represented the received-but-not-utilised compensations from local government, which is the compensation for assets for the planned relocation and other losses to be incurred. The deferred income was recognised in the profit and loss as the old factory in Keqiao has been demolished during the year.

N2 – This represents the related property, plant and equipment written off in connection with the demolition of the old factory in Keqiao during the year.

N3 –The margin on recovery of sewage costs from lessees was derived from the charges charged to lessees by the Group deducted the cost of the sewage processing costs paid to the local government.

1(a)(ii) Statement of other comprehensive income for the Year Ended 31 December 2017

There is no other comprehensive income other than those disclosed in the statement of comprehensive income for the period.

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

	The Group		The Company	
	31/12/2017 RMB'000	31/12/2016 RMB'000	31/12/2017 RMB'000	31/12/2016 RMB'000
ASSETS				
Current assets:				
Cash and bank balances	38,995	94,135	1,084	204
Held-for-trading investments	1,709	2,898		-
Trade receivables	10,076	29,386		-
Other receivables and prepayments	10,593	11,136	4,349	4,498
Inventories	479	3,978	-	-
Prepaid leases	647	647	-	-
Asset classified as held for sale	497,680	497,680	-	-
Total current assets	560,179	639,860	5,433	4,702
Non-current assets:				
Investment in subsidiaries	-	-	144,587	144,587
Investment in associate	28,723	27,666	-	-
Property, plant and equipment	27,998	78,446	-	-
Investment property	91,472	71,158	-	-
Prepaid leases	23,016	23,535	-	-
Deferred tax assets	842	3,274	-	-
Total non-current assets	172,051	204,079	144,587	144,587
Total assets	732,230	843,939	150,020	149,289
LIABILITIES AND EQUITY				
Current liabilities:				
Bank borrowings	342,890	379,000	-	-
Trade payables	11,285	23,789	-	-
Other payables	154,762	197,500	31,793	28,108
Loans from a related party	896	968	896	968
Deferred income	-	54,032	-	-
Tax payable	32,713	21,729	-	-
Total current liabilities	542,546	677,018	32,689	29,076
Non-current liabilities:				
Deferred tax liabilities	20,817	20,817	-	-
Total non-current liabilities	20,817	20,817	-	-
Capital and Reserves:				
Issued capital	125,808	125,808	125,808	125,808
Retained earnings/(Accumulated losses)	21,381	(1,382)	(8,477)	(5,595)
Other reserves	21,678	21,678	-	-
Total equity	168,867	146,104	117,331	120,213
Total liabilities and equity	732,230	843,939	150,020	149,289

1(b)(ii) Aggregate amount of group's borrowings and debts securities
Amount repayable in one year or less, or on demand

Amount repayable in one year or less, or on demand			
Group As at 31/12/2017		Group As at 31/12/2016	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
342,890	896	379,000	968

Details of any collateral

As at 31 December 2017, the Group secured facilities comprising notes payable of RMB Nil and bank loan of RMB342.9 million (31 December 2016: notes payable – RMB2.8 million and bank loans: RMB379.0 million). These facilities were secured by certain equipment and part of the prepaid leases.

As at 31 December 2017, the unsecured facilities comprised loans of RMB0.9 million (31 December 2016: RMB1.0 million) from a related party.

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

	The Group	
	2017 RMB'000	2016 RMB'000
Operating activities		
Profit/(Loss) before income tax	36,180	(12,813)
Share of profit from Associate	(1,056)	(882)
Impairment of trade and other receivable	-	1,856
Depreciation and amortisation expense	22,131	20,428
Property, plant and equipment written off	19,347	5,580
Fair value (gain)/loss on held-for-trading investments	(104)	597
Gain on disposal of held-for-trading investments	(80)	(48)
Loss on disposal of property, plant and equipment	6,123	8,137
Loss on disposal of inventory	-	2,329
Deferred income on government compensation	(54,032)	(26,661)
Interest income	(20)	(548)
Interest expense	18,724	20,235
Unrealised loss of foreign exchange	-	62
Operating cash flows before movements in working capital	47,213	18,272
Trade receivables	19,310	35,644
Other receivables and prepayments	543	(1,625)
Inventories	3,499	9,177
Trade payables	(12,504)	(67,315)
Other payables	(38,998)	12,020
Cash generated from operations	19,063	6,173
Income tax	-	-
Net cash generated from operating activities	19,063	6,173
Proceed from disposal of held-for-trading investments	-	1,188
Interest received	20	548
Share of profit of associate	-	-
Deposit received from disposal of investment in subsidiary	-	80,000
Deposit received for dismantle of building	-	5,150
Proceed from disposal of property, plant and equipment	5,782	11,690
Proceed from disposal of held-for-sale investment	5,998	-
Purchase of property, plant and equipment, and investment property	(22,730)	(42,197)
Purchase of held-for-trading investments	(4,625)	-
Net cash(used in)/ generated from investing activities	(15,555)	55,071
Addition of bank loans	393,000	-
Repayment of bank loans	(429,110)	-
Decrease in pledged fixed deposits	-	38,145
Repayment from a related party	(72)	-
Interest paid	(18,724)	(20,235)
Net cash (used in)/generated from financing activities	(54,906)	17,910
Net (decrease)/increase in cash and cash equivalents	(51,398)	79,154
Cash and cash equivalents at beginning of the year	90,393	11,239
Cash and cash equivalents at end of the year (Note)	38,995	90,393

Note:		
Cash and cash equivalents comprise the following:		
Fixed deposits	-	2,854
Cash and bank balances	38,995	90,393
Cash at bank held in trust for third party	-	888
		94,135
Less: Pledged fixed deposits	-	(2,854)
Less: Cash at bank held in trust for third party	-	(888)
	38,995	90,393

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

The Group				
	Issued Capital	Other Reserves ^(a)	Accumulated Profits	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2016	125,808	21,678	8,999	156,485
Total comprehensive loss for the year	-	-	(10,381)	(10,381)
Balance at 31 December 2016	125,808	21,678	(1,382)	146,104
Total comprehensive gain for the year	-	-	22,763	22,763
Balance at 31 December 2017	125,808	21,678	21,381	168,867

The Company			
	Issued Capital	Accumulated Profits	Total
	RMB'000	RMB'000	RMB'000
Balance at 1 January 2016	125,808	(2,210)	123,598
Total comprehensive loss for the year	-	(3,385)	(3,385)
Balance at 31 December 2016	125,808	(5,595)	120,213
Total comprehensive loss for the year	-	(2,882)	(2,882)
Balance at 31 December 2017	125,808	(8,477)	117,331

- (a) In accordance with the Company Law of the People's Republic of China (the "PRC"), the Group's subsidiaries in the PRC are required to allocate 10% of its profit after tax, as determined in accordance with PRC accounting standards and regulations applicable to the PRC subsidiaries, to the statutory surplus reserve ("SSR") until such reserve reaches 50% of the registered capital of the PRC subsidiaries. Subject to certain restrictions set out in the Company Law of the PRC, part of the SSR may be converted to increase share capital, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital of such PRC subsidiaries.

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, issues of shares or cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. States also the number of shares that may be issued on conversion of all the outstanding convertibles 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

The number of issued shares excluding treasury shares of the company was 301,500,000 as at 31 December 2017 and 31 December 2016. There was no change in the issued capital and paid-up capital of the Company since end of December 2016. The Company does not have any shares that may be issued on conversion of any outstanding convertibles as at 31 December 2017 and 31 December 2016.

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,

	31 December 2017	31 December 2016
Number of issued shares excluding treasury shares	301,500,000	301,500,000
Number of treasury shares held	NIL	NIL

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 standard or practice (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard)

The figures have not been audited or reviewed.

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

Except as disclosed below, the same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2016 have been applied in the preparation for the financial statements as at 31 December 2017.

The Group adopted the new/revised FRS and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 January 2017. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The following are the new or amended FRS that are relevant to the Group:

Effective

Amendments to FRS 7 Statement of Cash Flows

Amendments to FRS 12 Income Taxes – Recognition of Deferred Tax Assets for Unrealised Losses

Not yet effective

FRS 115 Revenue from Contracts with Customers

FRS 109 Financial Instruments

FRS 116 Leases

INT FRS 123 Uncertainty over income tax treatment

The adoption of the above FRS and INT FRS did not have any significant impact on the financial statements of the Group.

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

NA

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

	Year ended 31 December	
	2017	2016
Profit /(Loss) for the year (RMB'000)	22,763	(10,381)
Basic basis (RMB cents)	7.5	(3.44)
On a fully diluted basis (RMB cents) ⁽¹⁾	N.A	N.A
Number of shares in calculating EPS ('000)	301,500	301,500

⁽¹⁾ Diluted earnings per share have not been calculated, as no dilution events existed during these periods. No share options were granted to any employees during these periods.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued share excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year

	Group		Company	
	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Net assets (RMB'000)	168,867	146,104	117,331	120,213
Net asset value per ordinary share (RMB cents)	56.0	48.5	38.9	39.9
Number of shares calculating NAV ('000)	301,500	301,500	301,500	301,500

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business.

- (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.

COMMENTARY ON THE CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD

Revenue

The Group's revenue decreased by 46.3% to RMB35.0 million as compared with the corresponding year FY2016 ("FY 2016"). In prior year, the products processed by the Group's printing and dyeing business and fabric processing segments consist of 2 general categories: "narrow width" and "extra width", which are classified in accordance with the width of the material. In light of the lacklustre PRC economic environment, the Company has rented out its factory space and plant and equipment of the "narrow width" division as part of the Group's effort to reduce redundancy.

Revenue for year ended 2017 ("FY2017") consist of mainly rental income of RMB35.0 million (FY 2016; RMB23.1 million) for renting out part of the factory space mentioned above and some revenues generated from disposing some of old products.

The decrease in revenue of RMB30.2 million was due to there was revenue generated from printing and dyeing operations of RMB42.1 million and rental revenue of RMB23.1 million whereas the revenue for FY2017 was contributed mainly from rental income. There was no revenue generated from the printing and dyeing business in FY2017, as the Group has temporarily ceased its printing and dyeing business due to the relocation of the plant and machineries from old factory in Kebei Industrial area to the new factory in Binhai Industrial Zone.

Although the total revenue for FY2017 was impacted, the Group managed to increase its gross profit margin and narrow its net losses on year to year basis as a result of renting out the factory spaces.

Gross Profit and Gross Profit Margin

The decrease in cost of sales of RMB35.9 million from RMB40.6 million in FY2016 to RMB4.7 million in FY2017 was mainly due to the decrease in revenue generated from printing and dyeing business due to the reason explained above. On top of that, as a result of the temporary cessation of printing and dyeing business, the depreciation charges related to the plant and equipment of RMB19.7 million were allocated to administrative expenses during the year under review.

The increase in rental revenue in FY2017 has resulted in the increase in gross profit as well as gross profit margin of the Group due to reasons mentioned above.

Other Operating Income

The other operating income for FY2017 mainly comprises of recognition of deferred income of RMB54.0 million due to the demolition of the old factory in Kegiao partially offset with the related property, plant and equipment that was written off of RMB19.3 million in connection with the demolition of the old factory.

Selling and distribution expenses

The decrease in overall selling and distribution expenses was in line with the reduction in revenue for the year under review.

Administrative expenses

The decrease in administrative expenses was mainly due to reduced revenues for the year. The temporary allocation of depreciation of RMB21.6 million for the plant and equipment from cost of sales to administrative expenses due to cessation of the print and dye production activities for the year under review (In prior years all the depreciation were allocated to cost of sales) has resulted in high administrative costs even though decrease substantially in revenues during the year as compared to FY2016.

Finance costs

The decrease in finance costs in FY2017 was mainly due to repayment of bank borrowings during the year.

Profit for the year

The net profit for the period was mainly due to the recognition of deferred revenue of RMB54.0 million offset with the written off of property, plant and equipment of RMB19.3 million in connection with the demolition of the old factory during the year as mentioned above.

COMMENTARY ON THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Below is a review of the material changes in key statement of financial position items over the 12 months ended 31 December 2017.

Held for trading investments decreased by RMB1.2 million was mainly due to disposal of trading investment during the period.

Trade receivables decreased by RMB19.3 million mainly due to receipt of payment during the period.

Inventories decreased by RMB3.5 million mainly due to disposal of existing inventories carried forward from previous periods.

Assets classified as held for sale represents leasehold lands for commercial and residential development which is located at Anchang Town, Shaoxing County, Zhejiang China.

Property, plant and equipment decreased by RMB50.4 million, mainly due to disposal of certain plant and equipment of RMB11.9 million, written off of property, plant and equipment of RMB19.3 million and depreciation charge of RMB21.6 million offset with the addition of property, plant and equipment (including investment property) of RMB22.7 million in new factory building in Binhai industry zone during the year.

Deferred tax assets is related to certain subsidiaries' unutilised tax losses which are available for offset against future taxable profits.

Bank borrowings decreased by RMB36.1 million mainly due to repayment during the period.

Trade payables decreased by RMB12.5 million, mainly due to repayment during the period.

Other payables decreased by RM47.3 million, mainly due to repayments for some contractors for the building of new factory in Binhai industrial zone.

Deferred tax liabilities mainly included the income tax effect of RMB20.8 million resulting from the liability from the gain from disposal of the industrial land in prior years.

Deferred income mainly represented the received-but-not-utilised compensations from local government, which is the compensation for assets for the planned relocation and other losses to be incurred. The deferred income is recognised in the profit and loss as the old factory in Keqiao has been demolished during the year.

COMMENTARY ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flows from operating activities were positive during the year of RMB19.1 million mainly due to positive operating cash flows before movements in working capital charges of RMB47.2 million offset with the net changes in working capital of RMB28.1 million.

Net cash used in investing activities was RMB15.6 million as compared to net cash generated from investing activities of RMB55.0 million in the same period last year. The net cash used in investing activities during the year was due mainly to the purchase of property, plant and equipment and additions to investment property of RMB22.7 million and purchase of held for sale investments of RMB4.6 million respectively partially offset against proceeds received from the disposal of property, plant and equipment of RMB5.8 million and proceeds from disposal of held-for-sale investment of RMB6.0 million. In the previous year, the net cash generated from investing activities was mainly due to the deposit received from disposal of investment in subsidiary of RMB80 million partially offset against the purchase of property, plant and equipment and investment property of RMB42.1 million.

Net cash used in financing activities was RMB54.9 million as compared to net cash generated from financing activities of RMB17.9 million in the previous year. This was due mainly to the repayment of bank loans of RMB36.1 million and interest payment of RMB18.7 million during the year. In prior year, the net cash generated from financing activities was due to the release of pledged deposits of RMB38.1 million offset by interest payments of RMB20.2million.

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

The current results are in line with the Company's commentary on prospects or previous quarter outlook in paragraph 10 of its previous quarter results announcement.

10. A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or of the significant trends and events that may affect the group in the next reporting period and the next 12 months

In view of the continued improvement of the China economy, it is expected that the print and dye business will gradually recover in the coming year.

In connection with the Proposed Disposal of the entire equity interest in Shao Xing Yue Sheng Real Estate Property Development Co., Ltd (as referred to in our previous announcements), the management is currently still in negotiations with the Purchaser, and any eventual final proposals from the Purchaser will be subject to our Board's approval. We will provide updates when appropriate or when there are concrete business developments.

11. Dividend

(a) Current Financial Period Reported On

Any dividends 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) Book Closure Date

Not applicable

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

No dividend is declared for FY2017.

13. If the Group has obtained a general mandate from Shareholders for Interested Person Transactions (“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.

The Group did not obtain any general mandate from its shareholders for IPTs.

Interested Person Transactions (“IPT”)

There is no IPT during the year ended 31 December 2017.

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

**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(NOTE: This part is not applicable to Q1, Q2, Q3 or Half Year Results)****15. 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****(i) Business segment****FY2017**

	Printing & Dyeing	Fabric Processing	Leasing of properties	Property Development	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	-	-	35,021	-	35,021
Result					
Segment results	-	-	30,366	-	30,366
Other operating income		*			150,099
Other gains and losses		*			(101,948)
Interest expenses					(19,035)
Share of profit from Associate					1,056
Selling and distribution expenses					(1)
Central administration costs					(24,357)
Profit before income tax					36,180
Income tax					(13,417)
Net profit for the year					22,763

*Included in Fabric processing segment results are other operating income of RMB0.9 million from disposal of old products and related cost of disposal of RMB1.06 million.

FY2016

	Printing & Dyeing	Fabric Processing	Leasing of properties	Property Development	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	5,834	36,255	23,085	-	65,174

Result

Segment results	(3,669)	(22,804)	18,780	(18,933)	(26,626)
Other operating income					29,290
Other gains and losses					(11,014)
Interest expenses					(2,811)
Share of profit from Associate					882
Central administration costs					(2,534)
Loss before income tax					(12,813)
Income tax					2,432
Net loss for the year					(10,381)

(ii) Geographical segment

	FY2017	FY2016
	RMB'000	RMB'000
Domestic sales		
PRC	35,021	60,729
Export sales		
Asia	-	529
Europe	-	3,916
Total	35,021	65,174

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

Revenue	FY2017 RMB'000	%	FY2016 RMB'000	%
Printing & dyeing	-	-	5,834	9
Fabric Processing	-	-	36,255	56
Leasing of properties	35,021	100	23,085	35
Total	35,021		65,174	

Segment Result	FY2017 RMB'000	%	FY2016 RMB'000	%
Printing & dyeing	-	-	(3,669)	14
Fabric processing	-	-	(22,804)	86
Leasing of properties	30,366	100	18,780	(71)
Property development	-	-	(18,933)	71
Total	30,366		(26,626)	

The Group's business segment, fabric processing services, accounted for 56% of the Group's total revenue in FY2016, whereas there is no revenue generated from the printing and dyeing business in FY2017, as the Group has temporarily ceased its printing and dyeing business due to the relocation of the plant and machineries from old factory in Kebei Industrial area to the new factory in Binhai Industrial Zone.

The leasing revenue has accounted for 100% of the Group's total revenue in FY2017 as compared to FY2016 of 35%. This was mainly the Group has increased its leasing activities and temporary ceased its printing and dyeing business as mentioned above, therefore resulted in the higher segment result contributing from leasing activity in FY2017 as compared to FY2016.

17. A breakdown of sales

	The Group		
	For the year ended 31 December		
	2017	2016	Changes
	RMB'000	RMB'000	%
Sales reported for the first half year	17,465	31,036	(43.7)
Total comprehensive loss reported for the first half year	(1,113)	(5,627)	NM
Sales reported for the second half year	17,556	34,138	(48.6)
Total comprehensive profit /(loss) reported for the second half year	23,876	(4,754)	NM

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

No dividend payment was made in the current and the previous year.

19. 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 shareholders of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make 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
Xiao Zi Liang	46	Mr Xiao is the cousin of Mr Jin Guan Liang, Executive Chairman and Substantial Shareholder of the Company	Held the position of Chief Executive Officer and Executive Director since 11.05.2016. Responsibilities include overseeing the Group's overall operations, general management, investment, business development and strategic planning.	No change.

BY ORDER OF THE BOARD

Xiao Zi Liang
Executive Director
1 March 2018