

1Full Year Financial Statements Announcement for the Year Ended 31 December 2018
CHINA GREAT LAND HOLDINGS LTD.
(Company registration number: 200312792W)

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

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.

	<u>The Group</u>		<u>Increase/ (Decrease)</u>	<u>Increase/ (Decrease)</u>
	31-Dec-18 RMB'000	31-Dec-17 RMB'000	RMB'000	%
Revenue	-	-	-	-
Cost of sales	-	-	-	-
Gross profit	-	-	-	-
Other operating income	275	175	100	57
Selling and distribution expenses	-	(133)	(133)	(100)
General and administrative expenses	(4,534)	(6,069)	(1,535)	(25)
Loss before tax	(4,259)	(6,027)	(1,768)	(29)
Income tax	-	-	-	-
Total comprehensive loss for the financial year	(4,259)	(6,027)	(1,768)	(29)
Loss for the year attributable to:				
Equity holders of the parent	(4,259)	(6,027)	(1,768)	(29)
Non-controlling interests	-	-	-	-
Loss for the year	(4,259)	(6,027)	(1,768)	(29)
Total comprehensive loss for the year attributable to:				
Equity holders of the parent	(4,259)	(6,027)	(1,768)	(29)
Non-controlling interests	-	-	-	-
Total comprehensive loss for the year	(4,259)	(6,027)	(1,768)	(29)

1(a)(ii) Items which is significant must be included in the income statement

	Group		Change
	FY2018 RMB'000	FY2017 RMB'000	%
Other operating income include the following:			
Reversal of bad debts	248	133	86
General and administrative expenses include the following:			
Impairment of trade and other receivables	180	424	(58)

Loss before taxation is arrived at after charging /(crediting) :

	<u>The Group</u>		<u>Increase/ (Decrease)</u>	<u>Increase/ (Decrease)</u>
	31-Dec-18 RMB'000	31-Dec-17 RMB'000	RMB'000	%
Reversal of bad debts	(248)	(133)	115	86
Impairment loss made on trade and other receivables	180	424	(224)	(58)
Depreciation of plant and equipment	18	5	13	n.m
Staff costs	2,630	3,751	(1,121)	(30)
Finance lease interest income	(24)	(37)	(13)	(35)

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.

	<u>The Group</u>		<u>The Company</u>	
	<u>Year ended</u>		<u>Year ended</u>	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS				
Non-current assets				
Plant and equipment	32	50	32	50
Finance lease receivables	174	303	-	-
Total non-current assets	206	353	32	-
Current assets				
Finance lease receivables	129	156	-	-
Trade and other receivables	625	19,340	28	28
Cash and cash equivalents	152	49	16	40
	906	19,545	44	68
TOTAL ASSETS	1,112	19,898	76	118
EQUITY AND LIABILITIES				
Capital and Reserves				
Share capital	89,862	89,862	89,862	89,862
Accumulated loss	(125,159)	(120,900)	(98,480)	(94,736)
Equity attributable to equity holders of the Company	(35,297)	(31,038)	(8,618)	(4,874)
Non-controlling interests	(487)	(487)	-	-
Total equity	(35,784)	(31,525)	(8,618)	(4,874)
Current liabilities				
Trade and other payables	36,896	51,423	8,694	4,992
Total liabilities	36,896	51,423	8,694	4,992
TOTAL EQUITY AND LIABILITIES	1,112	19,898	76	(4,874)

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

There were no borrowings and debt securities incurred during the year.

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.

Consolidated Statement of Cash Flows

	<u>Year</u> <u>Ended</u> <u>31-Dec-18</u> RMB'000	<u>Year</u> <u>Ended</u> <u>31-Dec-17</u> RMB'000
Cash flows from operating activities		
Loss before taxation	(4,259)	(6,027)
Adjustments for:		
Impairment loss made on trade and other receivables	180	424
Depreciation of plant and equipment	18	5
Reversal of impairment loss on trade and other receivables	(248)	(133)
Finance lease interest income	(24)	(37)
Operating loss before working capital changes	<u>(4,333)</u>	<u>(5,768)</u>
Changes in working capital:		
Trade and other receivables	18,963	589
Trade and other payables	(14,527)	4,222
Net cash from / (used in) operating activities	<u>103</u>	<u>(957)</u>
Cash flows from investing activities		
Purchase of equipment	-	(55)
Net cash used in investing activities	<u>-</u>	<u>(55)</u>
Cash flows from financing activities		
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents	103	(1,012)
Cash and cash equivalents at beginning of the financial year	49	1,061
Cash and cash equivalents at end of the financial year	<u>152</u>	<u>49</u>

1(d) (i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Share capital	Statutory reserve	Asset Revaluation reserve	Accumulated losses	Total Attributable to Equity Holders of the parent RMB'000	Non- Controllin g interests RMB'000	Total RMB'000
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2017	89,862	-	-	(114,873)	(25,011)	(487)	(25,478)
Total comprehensive loss for the financial year	-	-	-	(6,027)	(6,027)	-	(6,027)
Balance at 31 December 2017	89,862	-	-	(120,900)	(31,038)	(487)	(31,525)
Total comprehensive loss for the financial year	-	-	-	(4,259)	(4,259)	-	(4,259)
Balance at 31 December 2018	89,862	-	-	(125,159)	(35,297)	(487)	(35,784)

**Statements of Changes in Equity
For the period ended 31 December 2018**

	Share capital RMB'000	Accumulated losses RMB'000	<u>Total</u> RMB'000
Balance at 1 January 2017	89,862	(89,896)	(34)
Total comprehensive loss for the year	-	(4,840)	(4,840)
Balance at 31 December 2017	89,862	(94,736)	(4,874)
Total comprehensive loss for the financial year	-	(3,744)	(3,744)
Balance at 31 December 2018	89,862	(98,480)	(8,618)

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.

	<u>31-Dec-18</u>		<u>31-Dec-17</u>	
	S\$'000	RMB'000	S\$'000	RMB'000
Issued and paid-up capital				
At the end of the year	17,827	89,862	17,827	89,892

As at 31 December 2018 and 31 December 2017, there were no treasury shares.

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.

	<u>31-Dec-18</u>	<u>31-Dec-17</u>
Issued and paid-up capital	Number of ordinary share ('000)	
At the end of the year	270,000	270,000

As at 31 December 2018 and 31 December 2017, there were no treasury shares.

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.

As at 31 December 2018, there were no treasury shares.

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

The figures have not been reviewed or audited 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).

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

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

The Group and Company have applied the same accounting policies and methods of computations in the financial statements for the current financial year and is consistent with those of the most recent audited financial statements for the financial year ended 31 December 2018, except for the adoption of the new and revised Financial Reporting Standards which became effective for the financial year beginning on or after 1 January 2019. The adoption of these new and revised accounting standards did not give rise to any significant impact on 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.

There are no changes in the accounting policies and methods of computation.

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.

	Continuing Operations For 12 month ended	
	31-Dec-18	31-Dec-17
Earnings/(Loss) per Share		
-Basic earnings per share (RMB – cents)	(0.016)	(0.022)
-Diluted Basic earnings per share (RMB – cents)	(0.016)	(0.022)
Weighted Number of shares ('000):	270,000	270,000

As at 31 December 2018 and 31 December 2017, the Group did not have equity instruments which were dilutive in nature. Accordingly, there were no potential dilution of ordinary shares as at 31 December 2018 and 31 December 2017.

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

	The Group		The Company	
	31-Dec-18	31-Dec-17	31-Dec-18	31-Dec-17
Net asset value (RMB'000)	(35,784)	(31,525)	(8,618)	(4,874)
Number of issued shares ('000)	270,000	270,000	270,000	270,000
Net asset value per share (RMB)	(0.13)	(0.12)	(0.0319)	(0.018)

The calculation of net asset value per ordinary share of the Group and the Company is based on 270,000,000 (31 December 2017: 270,000,000) number of ordinary shares.

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.

FY2018 vs FY2017

Revenue

There was no revenue generated for the financial year ended 31 December 2018 ("FY2018") as compared to the financial year ended 31 December 2017 ("FY2017"). This was attributable to no project secured during the financial year in view of global economic downturn and intense competition with our competitors.

Other Operating Income

Operating income increased from RMB0.18 million in FY2017 to RMB0.28 million in FY2018. This was mainly due to higher reversal of impairment of accounts receivables of about RMB0.25 million in the current financial year as compared to RMB0.13 million recorded in the corresponding financial year.

Selling and Distribution Expenses

There was no selling and distribution expenses incurred in the current financial year as compared to FY2017.

General and administrative expenses

	<u>FY2018</u>	<u>FY2017</u>
	RMB'000	RMB'000
Staff salaries & related costs	1,392	1,881
Directors' remuneration	1,238	1,870
Telecommunication and utilities	34	9
Travelling	38	52
Entertainment	14	15
Audit fee	300	300
Professional fee	474	692
Impairment of receivables	180	424
Printing expense	54	51
Directors' fee	490	550
Rental	168	84
Others	152	141
	<u>4,534</u>	<u>6,069</u>

General and administrative expenses decreased by approximately RMB1.54 million from RMB6.07 million in FY 2017 to RMB4.53 million in FY 2018.

It is mainly attributable to lower impairment of receivables of RMB0.18 million recorded in FY 2018 as compared to RMB4.24 million incurred in FY 2017. Professional fees also decreased by approximately RMB0.22 million due to lower legal fees incurred in FY 2018. The higher legal fees incurred in FY2017 were for the proposed acquisitions which had been lapsed in the current financial year.

The decrease in directors' remuneration was mainly due to the resignation of the executive director cum CEO in May 2018.

The decrease in staff salaries was mainly because the company had 2 CFOs in employment from January to March 2017 as the outgoing CFO remained in the company until 31 March 2017 to complete the audit for FY2016 and it amounted to approximately RMB0.21 million.

The subsidiary's salaries also decreased about RMB0.59 million from RMB0.88 million in FY2017 to RMB0.29 million in FY2018 due to the reduce for headcount from 9 in FY2017 to 4 in the current financial year. This decrease was offset by retrenchment expense of RMB0.24 million.

Loss before tax

Group reported a net loss of RMB4.26 million in FY2018 as compared to a loss of RMB6.03 million in FY2017 in tandem to the above.

REVIEW OF FINANCIAL POSITION

Non-Current Assets

The Group's non-current assets consist of finance lease receivables. The decrease of approximately of RMB0.16 million was mainly due to reclassification of the non-current portion of finance lease receivables to current portion.

Current Assets

The decrease in trade and other receivables was mainly due to a former subsidiary, Sanya Pearl River Pile Co Ltd ("Sanya Pearl") had repaid RMB18.73 million during the financial year as a results of debt restructuring negotiation with Lionview Global Investments Ltd ("Lionview"), the holding Company of Sanya Pearl. The debt restructuring was to reduce amount due to another former subsidiary, Hainan Pearl River Pile Co Ltd ("Hainan Pearl"), which Lionview is also its holding company.

Current Liabilities

The decrease in trade and other payables was mainly due to repayment of amount due to a former subsidiary, Hainan Pearl, of RMB18.52 million due to the debt restructuring mention above.

The decrease was offset by increase in loan from controlling shareholders of RMB2.10 million received during the financial year and amount due to directors of approximately RMB1.21 million.

Cash flow

Overall, the Group's available cash balances increased to RMB0.16 million during the year ended 31 December 2018 from RMB0.49 million at 31 December 2017.

A summary of cash flows is as follows:

	<u>Period</u> <u>Ended</u> <u>31-Dec-18</u> RMB'000	<u>Year</u> <u>Ended</u> <u>31-Dec-17</u> RMB'000
Net cash from / (used in) operating activities	103	(957)
Net cash used in investing activities	-	(55)
Net cash from financing activities	-	-
Net increase / (decrease) in cash and cash equivalents	103	(1,012)
Cash and cash equivalents at beginning of the financial year	49	1,061
Cash and cash equivalents at end of the financial year	152	49

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

No forecast or prospect statement had been previously disclosed to shareholders for the current financial year.

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.

As announced by the Company on 13 July 2018, the SGX-ST has deemed the Company to be a cash company under Rule 1018 of the Listing Manual.

Pursuant to Rule 1018 of the Listing Manual, the securities of the Company, being a cash Company, has been suspended and the Company is given 12 months to satisfy the SGX-ST's requirements for a new listing, failing which, the SGX-ST will proceed to remove the issuer from the Official List.

The company is still in the process of identifying new business to be injected.

The company will provide quarterly updates of milestones in obtaining new business to the market.

The Company will be able to operate as a going concern as the Company has received commitments from the controlling shareholders that they will provide continuing financial support to the Group and the Company.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

The Company does not propose to declare any dividends for the current financial year reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year

Not applicable.

(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 dividends have been declared/recommended for FY2018 because the Group is not profitable in the current financial year.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

There were no interested person transactions for FY2018.

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.

The Group is in substantially in one business segment, namely the engineering services in construction for property. Accordingly, no business segment information is presented.

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 section 8.

16. A breakdown of sales

	31-Dec-18 RMB'000	31-Dec-17 RMB'000	RMB Increase/ (decrease)	% Increase/ (decrease)
a Sales reported for first half year	-	-	-	-
b Operating loss after tax before deducting minority interests reported for first half year	2,127	2,646	(519)	(20)
c Sales reported for second half year	-	-	-	-
d Operating loss after tax before deducting minority interests reported for second half year	2,132	3,381	(1,249)	(37)

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

Not applicable.

18. Confirmation pursuant to Rule 720 (1)

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

BY ORDER OF THE BOARD

Xing Fei
Executive Chairman
1 March 2019