



GREEN BUILD TECHNOLOGY

Green Build Technology Limited (Formerly known as Youyue International Limited)
(Company Registration No. 200401338W)

FULL YEAR RESULTS ANNOUNCEMENT FOR FY 2014

The Board of Directors of Green Build Technology Limited are pleased to announce the consolidated results of the Group for the 12 months ended 31 December 2014 ("FY2014"). The figures presented below have not been reviewed or audited.

1(a)(i) A statement of comprehensive income (for the group) with comparatives for the corresponding period of the immediately preceding financial year.

	Group			Group		
	FY2014	FY2013	Increase/	2HY2014	2HY2013	Increase/
	RMB'000	RMB'000	(Decrease)	RMB'000	RMB'000	(Decrease)
	(Note)					
Revenue	289,651	245,418	18.0%	184,372	146,708	25.7%
Cost of sales	(244,646)	(207,591)	17.9%	(153,259)	(123,184)	24.4%
Gross profit	45,005	37,827	19.0%	31,113	23,524	32.3%
Other operating income	33,948	6,380	432.1%	31,492	3,558	785.1%
Selling and distribution expenses	(7,178)	(6,574)	9.2%	(4,273)	(3,676)	16.2%
Administrative expenses	(22,087)	(21,360)	3.4%	(14,250)	(12,403)	14.9%
Other operating expenses	(7,843)	(3,086)	154.1%	(5,667)	(1,681)	237.1%
Profit from operations	41,845	13,187	217.3%	38,415	9,322	312.1%
Interest expense on interest-bearing loans	(5,240)	(4,401)	19.1%	(2,773)	(2,298)	20.7%
Bank charges	(70)	(211)	-66.8%	(27)	(148)	-81.8%
Profit before tax for the year	36,535	8,575	326.1%	35,615	6,876	418.0%
Income tax	(8,136)	(2,668)	204.9%	(8,053)	(1,245)	546.8%
Net profit after tax for the year	28,399	5,907	380.8%	27,562	5,631	389.5%
Net profit after tax for the year attributable to:						
Equity holders of the Company	23,382	770	2936.6%	23,770	1,964	1110.3%
Non-controlling interests	5,017	5,137	-2.3%	3,792	3,667	3.4%
	28,399	5,907	380.8%	27,562	5,631	389.5%
Net profit after tax for the year	28,399	5,907	380.8%	27,562	5,631	389.5%
Foreign currency translation, representing other comprehensive income, net	471	792	-40.5%	1,078	192	NM
Total comprehensive income for the year	28,870	6,699	331.0%	28,640	5,823	391.8%
Total comprehensive income attributable to:						
Equity holders of the Company	23,853	1,562	1427.1%	24,848	2,156	1052.5%
Non-controlling interests	5,017	5,137	-2.3%	3,792	3,667	3.4%
	28,870	6,699	331.0%	28,640	5,823	391.8%

NOTE: Further to the Group's restructuring exercise intended to provide alternative revenue streams to the Group and improve the financial position of the Group, the Group acquired 100% of WYW Capital Pte Ltd, which in turn owned 100% of Harbin Promlite Energy Saving Technology Co., Ltd. (the "New Subsidiaries") in June 2014. The New Subsidiaries are principally engaged in project-based activities involving energy conservation services and sustainable developments. These activities aim to upgrade and/or replace existing infrastructure with environmentally friendly technology and architecture. As such, profit and loss for the period include the operations of the New Subsidiaries from the date of acquisition till 31 December 2014 and the balance sheet as at 31 December 2014 is also inclusive of the New Subsidiaries.

*NB: 2HY means second half year from 1 July to 31 December of each year.

1(a)(ii) Breakdown and explanatory notes to the income statement.

Profit before tax is arrived at after charging/(crediting) the following:

	Group		Increase/ (Decrease)	Group		Increase/ (Decrease)
	FY2014 RMB'000	FY2013 RMB'000		2HY2014 RMB'000	2HY2013 RMB'000	
Depreciation of property, plant and equipment	11,352	11,504	-1.3%	5,601	5,001	12.0%
Amortisation of land use rights	329	355	-7.3%	165	156	5.8%
Amortisation of intangibles	5	10	-50.0%	1	4	-75.0%
Operating lease expenses	996	288	245.8%	853	144	492.4%
Staff costs	24,511	21,863	12.1%	15,983	11,934	33.9%
(Gain)/Loss on disposal of plant and equipment	(18)	141	NM	-	138	-100.0%
Allowance for doubtful trade debts	103	139	-25.9%	21	77	-72.7%
Write-back for inventory obsolescence	(518)	(94)	451.1%	(518)	(76)	581.6%
Interest expense from loan and borrowings	5,240	4,401	19.1%	2,773	2,298	20.7%
Interest income from bank balances	(175)	(194)	-9.8%	14	(61)	NM
Foreign exchange losses	555	1,832	-69.7%	1,649	829	98.9%
Government grants and awards	(26,453)	(680)	3790.1%	(26,279)	(449)	5752.8%
Overprovision for prior year's tax	(727)	(428)	69.9%	(438)	(428)	2.3%

NM: Not Meaningful

*NB: 2HY means second half year from 1 July to 31 December of each year.

1(b)(i) A Statement of Financial Position (for the issuer and Group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	31.12.2014 RMB'000	31.12.2013 RMB'000	31.12.2014 RMB'000	31.12.2013 RMB'000
Non-current assets				
Property, plant and equipment	79,363	86,463	3	5
Land use rights	12,740	13,069	-	-
Investment in subsidiaries	-	-	8,427	8,589
Other unquoted investments	996	996	-	-
Prepayment for property, plant and equipment	1,413	663	-	-
Deferred tax assets	728	377	-	-
Deferred expenditure	429	-	-	-
Goodwill on consolidation (Note A)	1,072	-	-	-
Intangible assets	17	17	-	-
	<u>96,758</u>	<u>101,585</u>	<u>8,430</u>	<u>8,594</u>
Current assets				
Contract work-in-progress	30,057	-	-	-
Inventories	26,708	23,313	-	-
Trade receivables				
- third parties	81,983	70,251	-	-
- related parties (Note B)	-	2,382	-	-
- related party of a corporate shareholder (Note B)	5,571	-	-	-
Bills receivable	31,299	30,822	-	-
Prepayments	3,321	931	12	14
Other receivables	30,844	809	38	67
Due from holding company, non-trade	19	-	19	-
Due from corporate shareholder, non-trade	193	142	193	142
Due from subsidiary, non-trade	-	-	-	29
Cash and bank balances	<u>15,634</u>	<u>14,710</u>	<u>114</u>	<u>304</u>
	<u>225,629</u>	<u>143,360</u>	<u>376</u>	<u>556</u>

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
	RMB'000	RMB'000	RMB'000	RMB'000
Current liabilities				
Trade payables				
- third parties	54,780	30,841	-	-
- a related party	1,595	-	-	-
Bills payable	24,502	10,927	-	-
Other payables and accruals	13,997	13,203	967	1,698
Due to a director	2,297	-	-	-
Due to a related party of a corporate shareholder, non-trade (Note B)	25,684	-	6,716	-
Due to related parties, non-trade (Note B)	300	29,329	-	6,009
Due to holding company, non-trade	471	-	-	-
Provision for income tax	8,537	2,210	-	-
Finance lease obligations	-	44	-	44
Loan from a related party of a corporate shareholder (Note B)	4,488	-	4,488	-
Loan from a related party (Note B)	-	4,488	-	4,488
Loan from holding company	2,113	-	2,113	-
Loan from corporate shareholder	5,165	2,871	5,165	2,871
Loans and borrowings	75,300	72,680	-	-
	<u>219,229</u>	<u>166,593</u>	<u>19,449</u>	<u>15,110</u>
Net current assets/(liabilities)	6,400	(23,233)	(19,073)	(14,554)
Non-current liabilities				
Deferred tax liabilities	(2,817)	(2,315)	-	-
Finance lease obligations	-	-	-	-
	<u>(2,817)</u>	<u>(2,315)</u>	<u>-</u>	<u>-</u>
Net assets/(liabilities)	100,341	76,037	(10,643)	(5,960)
Capital and reserves				
Share capital	113,179	113,179	113,179	113,179
Translation reserves	2,111	1,640	910	631
Restricted reserves	7,532	7,475	-	-
Accumulated losses	(78,373)	(101,698)	(124,732)	(119,770)
Equity attributable to equity holders of the Company	44,449	20,596	(10,643)	(5,960)
Non-controlling interests	55,892	55,441	-	-
Total equity	100,341	76,037	(10,643)	(5,960)

NOTES to the Statement of Financial Position:

(A) Represents provisional goodwill on consolidation recognised on acquisition of the New Subsidiaries in FY2014.

(B) Pursuant to the resignation of Mr Dai Tianrong as a director of the Company with effect from 10 June 2014, Youcan Foods (Hangzhou) Co., Ltd was no longer considered a related party as at 31 December 2014 and has been reclassified accordingly. Nonetheless, Mr Dai Tianrong, through his majority-owned investment vehicle, China Invest Trading Limited, remained as a corporate shareholder of the Company with a stake of approximately 1.1% in the Company as at 31 December 2014.

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

Amount repayable in one year or less, or on demand

	31.12.2014	31.12.2013
	RMB'000	RMB'000
Finance lease obligations	-	44
Loan from a related party	4,488	4,488
Loan from holding company	2,113	-
Loan from corporate shareholder	5,165	2,871
Loans and borrowings	75,300	72,680
	<u>87,066</u>	<u>80,083</u>

Amount repayable after one year

NIL

Details of any collateral

- Bank borrowings amounting to RMB 24.7 million are secured by corporate guarantees from a related party of a corporate shareholder.
- Bank borrowings amounting to RMB 42.7 million are secured over certain property, plant and machineries of the Group.
- Bank borrowings amounting to RMB 7.9 million are secured by bills receivables of the Group.
- The loans from a related party of a corporate shareholder, corporate shareholder and holding company are unsecured and interest-free. The bank borrowings bear interest of between 5.60% to 6.90% per annum.

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.

	Group	
	FY2014	FY2013
	RMB'000	RMB'000
Cash flows from operating activities		
Profit before tax	36,535	8,575
Adjustments for:		
Depreciation of property, plant and equipment	11,352	11,504
Amortisation of land use rights	329	355
Amortisation of intangibles	5	10
Allowance for doubtful trade debts	103	139
Write-back for inventory obsolescence	(518)	(94)
(Gain)/Loss on disposal of plant and equipment	(18)	141
Exchange differences	441	603
Interest expense	5,240	4,401
Interest income	(175)	(194)
Operating profit before working capital changes	53,294	25,440
Changes in working capital:		
Deferred expenditure	(131)	-
Contract work-in-progress	(30,057)	-
Inventories	(2,578)	4,243
Trade and bills receivables		
- third parties	(12,312)	(24,882)
- related parties	(3,189)	2,724
Other receivables and prepayments	(32,567)	645
Trade and bills payables		
- third parties	37,514	2,163
- a related party	1,595	-
Other payables and accruals	(1,917)	318
Cash generated from operating activities	9,652	10,651
Interest paid	(5,240)	(4,401)
Interest income received	175	194
Income tax paid	(1,658)	(5,174)
Net cash generated from operating activities	2,929	1,270
Cash flows from investing activities		
Purchase of plant and equipment	(3,419)	(5,358)
Proceeds from sale of plant and equipment	43	855
Increase in intangible assets	(5)	-
Net cash inflow on acquisition of subsidiaries (Note A)	77	-
Proceeds from sale of investments	-	305
Net cash used in investing activities	(3,304)	(4,198)
Cash flows from financing activities		
Dividends paid to minority shareholders	(4,566)	(12,176)
Proceeds from bank borrowings	175,960	176,980
Repayment of bank borrowings	(173,340)	(157,400)
Proceeds from loan from a related party	-	4,488
Deposits pledged for bills payable	(4,182)	(5,464)
Proceeds from loan from corporate shareholder	2,294	-
Proceeds from loan from holding company	2,113	-
Repayment of finance lease obligations	(44)	(54)
Due to a director	2,297	-
Due from holding company, non-trade	(19)	-
Due from corporate shareholder, non-trade	(51)	(25)
Due to related parties, non-trade	(3,345)	(12,081)
Net cash generated used in financing activities	(2,883)	(5,732)

	Group	
	FY2014	FY2013
	RMB'000	RMB'000
Net decrease in cash and cash equivalents	(3,258)	(8,660)
Cash and cash equivalents at beginning of year	9,246	17,906
Cash and cash equivalents at end of year	5,988	9,246
Note: Cash and cash equivalents		
Cash and bank balances	5,988	9,246
Deposits pledged for bills payable	9,646	5,464
	15,634	14,710

NOTE A to the Statement of Cash Flow:

The Group acquired 100% stake in WYW Capital Pte Ltd, which in turn wholly owned Harbin Promlite Energy Saving Technology Co., Ltd (the "New Subsidiaries") in June 2014 for a nominal cash consideration of S\$1.

The value of assets and liabilities of the New Subsidiaries as at the acquisition date, and the cash flow effect of the acquisitions were as follows:

	RMB'000
Non-current assets	
Property, plant and equipment	857
Deferred expenditure	298
	1,155
Current assets	
Inventories	299
Other receivables and prepayments	608
Cash and cash equivalents	77
	984
Current liabilities	
Other payables and accruals	2,711
Due to holding company, non-trade	471
	3,182
Carrying value of net liabilities	(1,043)
Total consideration paid	- *
Effects of exchange rate differences	(29)
Goodwill on acquisition of New Subsidiaries	(1,072)
Total consideration paid	- *
Cash and cash equivalents of the acquired New Subsidiaries	77
Net cash inflow on acquisition of the New Subsidiaries	77

NB*: Less than RMB1,000.

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.

	Attributable to equity holders of the Company					Non-controlling Interests	Total
	Share capital	Restricted reserves	Accumulated profits/(losses)	Currency translation reserve	Sub-Total		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Group							
At 1 January 2013	113,179	7,475	(102,468)	848	19,034	62,480	81,514
Dividends paid	-	-	-	-	-	(12,176)	(12,176)
Total comprehensive income for the year	-	-	770	792	1,562	5,137	6,699
As at 31 December 2013	113,179	7,475	(101,698)	1,640	20,596	55,441	76,037
At 1 January 2014	113,179	7,475	(101,698)	1,640	20,596	55,441	76,037
Dividends paid	-	-	-	-	-	(4,566)	(4,566)
Transfers	-	57	(57)	-	-	-	-
Total comprehensive income for the year	-	-	23,382	471	23,853	5,017	28,870
As at 31 December 2014	113,179	7,532	(78,373)	2,111	44,449	55,892	100,341

	Share capital RMB'000	Accumulat- ed losses RMB'000	Currency translation reserve RMB'000	Total RMB'000
Company				
At 1 January 2013	113,179	(115,590)	408	(2,003)
Total comprehensive income for the year	-	(4,180)	223	(3,957)
As at 31 December 2013	113,179	(119,770)	631	(5,960)
At 1 January 2014	113,179	(119,770)	631	(5,960)
Total comprehensive income for the year	-	(4,962)	279	(4,683)
As at 31 December 2014	113,179	(124,732)	910	(10,643)

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the Company's share capital for the 12 months ended 31 December 2014. There are no outstanding convertibles or shares held as treasury shares as at 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.

	<u>FY2014</u>	<u>FY2013</u>
Number of issued ordinary shares ('000)	238,860	238,860

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

Not applicable.

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

The figures have not been audited or reviewed.

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.

Other than the adoption of the new and revised Financial Reporting Standards (FRS) which took effect from the current financial period, there were no changes in accounting policies and methods of computation adopted in the financial statements for the current reporting period as compared to the most recent audited annual financial statements as at 31 December 2013 except for the adoption of FRS 11 on Construction Contracts pursuant to the Group's expansion of business after acquisition of the New Subsidiaries.

FRS 11: Construction contracts:

Contract revenue and contract costs are recognised as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period (the percentage of completion method), when the outcome of a construction contract can be estimated reliably.

The outcome of a construction contract can be estimated reliably when: (i) total contract revenue can be measured reliably; (ii) it is probable that the economic benefits associated with the contract will flow to the entity; (iii) the costs to complete the contract and the stage of completion can be measured reliably; and (iv) the contract costs attributable to the contract can be clearly identified and measured reliably so that actual contract costs incurred can be compared with prior estimates.

When the outcome of a construction contract cannot be estimated reliably (principally during early stages of a contract), contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable and contract costs are recognised as expense in the period in which they are incurred.

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 adoption of the new and revised FRSs is assessed to have no material impact to the results of the Group and of the Company for the year ended 31 December 2014.

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.

	Group	
	FY2014	FY2013
Earnings per ordinary share for the year:		
Net profit for the year attributable to the Company (RMB '000)	23,382	770
Weighted average number of ordinary shares in issue ('000)	238,860 *	238,860 *
(a) Basic Earnings per Share (RMB cents)	9.79	0.32
(b) On a fully diluted basis** (RMB cents)	9.79	0.32

*Earnings per share for FY2014 and FY2013 is calculated by dividing the profit after tax attributable to shareholders of the Company by the weighted average number of shares in issue.

**As there were no options and warrants granted, the basic and fully diluted earnings/losses per share are the same.

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

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Net assets/(liabilities) (RMB'000)	44,449	20,596	(10,643)	(5,960)
Net asset/(liability) value per ordinary share based on issued share capital as at the end of the period reported on (RMB cents)	18.61	8.62	(4.46)	(2.50)

Net asset value per ordinary share was calculated based on the 238,859,796 issued ordinary shares as at 31 December 2014 and 31 December 2013.

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.

(A) Performance Review - Overall

Pursuant to the Group's acquisition of the New Subsidiaries and its expansion of business to include those of project-based activities to upgrade and/or replace existing infrastructure with green technology and architecture to complement its existing packaging segment, the new business segment of green technology projects contributed positively to both the Group's revenue and profitability for FY2014. As such, the Group's revenue was higher at RMB 289.7 million in FY2014 compared to RMB 245.4 million in FY2013 and net profits after tax attributable to equity holders of the Company was RMB 23.4 million in FY2014 compared to RMB 0.8 million in FY2013.

(B) Revenue

Sales for the packaging segment increased slightly by RMB 13.7 million or 5.6% from RMB 245.4 million in FY2013 to RMB 259.1 million in FY2014. The higher sales were mainly due to higher sales in semi-finished products to customers as customers became more price-sensitive and needed to reduce spending in view of the competitive consumer products markets. Revenue from the new green technology segment was RMB 30.5 million in FY2014 mainly due to the Group achieving an approximately 33% completion on its pilot project in China Harbin city to upgrade an existing estate with a built-up area of approximately 160,000 sqm and 1,850 households with environmentally friendly technology and architecture including thermal facade cladding, underground carparking, solar and natural gas heating elements.

(C) Gross Profit

The gross margin for the packaging segment has decreased from 15.4% in FY2013 to 14.7% in FY2014 due to the sales mix of having more sales arising from semi-finished products which commanded lower gross margins. The green technology segment contributed a gross profit of RMB 6.9 million in FY2014.

(D) Other profit and loss items

Other operating income and expenses relate mainly to government grants and revenue and its corresponding costs of sales of raw materials/scrap. The increase in other operating income was mainly due to higher government grants and subsidies received in FY2014 of RMB 26.5 million in FY2014 compared to RMB 0.7 million in FY2013. The higher government grants and subsidies were mainly given to the Group's new green technology segment at a rate of RMB 155/sqm of built-up area.

Selling and distribution expenses increased in line with the increase in sales in FY2014.

Administrative expenses attributable to the New Subsidiaries in FY2014 was RMB 2.0 million. Disregarding this, administrative expenses were slightly lower at RMB 20.1 million in FY2014 compared to RMB 21.4 million in FY2013 mainly due to cost control measures at the packaging segment and lower foreign exchange losses recorded in FY2014 compared to FY2013, offset by higher professional fees incurred in FY2014 of RMB 2.5 million compared to RMB 1.1 million in FY2013 as a result of fees incurred in conjunction with the Group's restructuring exercise to acquire new businesses in FY2014.

Interest expense increased in line with the increase in the Group's borrowings. Interest bearing loans and borrowings increased from RMB 72.7 million as at 31 December 2013 to RMB 75.3 million as at 31 December 2014.

The relatively lower effective tax rates in FY2014 was due to certain income tax credits as a result of over-provision in prior periods adjusted in FY2014 and higher operating losses recorded at the holding company level in FY2014 compared to FY2013 which were not subjected to tax.

(E) Statement of Financial Position

The net book value of property, plant and equipment and land use rights decreased by RMB 7.4 million due mainly to acquisition of new assets amounting to RMB 3.4 million and assets attributable to the acquisition of the New Subsidiaries amounting to RMB 0.9 million, offset by depreciation and amortisation in FY2014 of RMB 11.7 million.

Contracts work-in-progress relating to the green technology segment amounted to RMB 30.1 million as at 31 December 2014. Inventories increased by RMB 3.4 million from RMB 23.3 million as at 31 December 2013 to RMB 26.7 million as at 31 December 2014 as the Group's order books pending delivery was higher in anticipation of the Chinese New Year in February 2015. Inventories attributable to the new green technology segment was RMB 0.9 million as at 31 December 2014.

Trade and bills receivables to third parties increased by RMB 12.2 million from RMB 101.1 million as at 31 December 2013 to RMB 113.3 million as at 31 December 2014. Trade receivables attributable to the newly acquired green technology segment was RMB 1.0 million as at 31 December 2014. The higher trade and bills receivables was in line with the higher sales in FY2014 and slightly slower repayment from the packaging segment customers.

Other receivables and prepayments increased by RMB 33.2 million from RMB 2.4 million as at 31 December 2013 to RMB 35.6 million as at 31 December 2014. Other receivables and prepayments attributable to the newly acquired green technology segment was RMB 18.9 million as at 31 December 2014 due mainly to government grants receivables that were still outstanding. Other receivables and prepayments for the packaging segment was also higher as at 31 December 2014 due to a purchase of short term investments amounting to RMB 12.3 million.

Trade and bills payables attributable to the green technology segment was RMB 22.2 million as at 31 December 2014. Excluding this, trade and bills payables increased by RMB 16.9 million in line with the higher sales and therefore higher purchases during FY2014.

Other payables and accruals attributable to the green technology segment was RMB 0.5 million as at 31 December 2014. Excluding this, other payables and accruals increased slightly by RMB 0.3 million as a result of generally higher business activities in FY2014.

The non-trade amount due to related party of a corporate shareholder of RMB 25.7 million was mainly due to the entrusted loan of RMB 40.0 million given to the Group from the related party to enable the Group to acquire the Packaging subsidiaries as part of the restructuring process in FY2012. The loan has been paid down from the dividends received from subsidiaries.

Following another profitable year and the acquisition of New Subsidiaries and expansion into green technology business, the Group's net equity attributable to the shareholders of the Company improved to RMB 44.4 million as at 31 December 2014 compared to RMB 20.6 million as at 31 December 2013. Also, the Group was able to record a net current asset position of RMB 6.4 million as at 31 December 2014 compared to a net current liabilities position of RMB 23.2 million as at 31 December 2013.

(F) Cash flow

The Group reported a net increase in cash and bank balances of RMB 0.9 million from RMB 14.7 million as at 31 December 2013 to RMB 15.6 million as at 31 December 2014.

The net decrease in cash, excluding deposits pledged for bills payable, for FY2014 was RMB 3.3 million due to net cash generated from operating activities of RMB 2.9 million, offset by net cash used in financing activities of RMB 2.9 million and net cash used in investing activities of RMB 3.3 million.

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 was previously disclosed.

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

The Group's packaging segment is dependent on consumer spending as its main customers are consumer products companies. The Group expects the economic climate and the trading conditions to continue to be challenging in the coming year and it is unlikely that there will be significant increases in consumer spending behaviour.

The Group is of the view that demand for green technology services will continue to be strong in China. On the basis that the Group has been awarded new green technology projects (please see separate announcement for more details) and barring unforeseen circumstances, the Group's green technology segment is likely to continue to contribute positively to the Group's financials for FY2015.

As the Group was able to record net profits and had a market capitalisation in excess of S\$40 million over more than 120 trading days, the Group applied and has successfully been removed from the SGX-ST Watch-list with effect from 21 January 2015.

11. Dividend

(a) Current Financial Period Reported On

No

(b) Corresponding Period of the Immediately Preceding Financial Year

No

(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/recommended by the Board for the 12 months ended 31 December 2014.

13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

The Group's primary format for reporting segment information is business segments, with each segment representing a product line. Inter-segment sales are on arm's length basis and there is no secondary geographical segmentation as the Group currently predominantly operates in the PRC. In June 2014, the Group acquired 100% of WYW Capital Pte Ltd, which in turn owned 100% of Harbin Promlite Energy Saving Technology Co., Ltd. (the "New Subsidiaries"). The New Subsidiaries are principally engaged in project-based activities involving energy conservation services and sustainable developments. These activities aim to upgrade and/or replace existing infrastructure with environmentally friendly technology and architecture. Prior to the acquisition of the New Subsidiaries, the Group was only engaged in the business of the manufacturing and sale of packaging products, as such, no segmental information is presented for FY2013.

(a) By Business Segments

	Green technology RMB'000	Packaging products RMB'000	Adjustment & Elimination RMB'000 (Note A)	Total RMB'000
2014				
Revenue				
External customers	30,549	259,102	-	289,651
Segment results				
Segment profit/(loss)	30,927	10,932	(5,324)	36,535
Interest income	(3)	(172)	-	(175)
Depreciation and amortisation	76	11,608	2	11,686
Other non-cash expenses/(write-back)	-	(415)	-	(415)
Segment assets	55,642	265,115	1,630	322,387
Other disclosure				
Additions to property, plant and equipment	2,097	1,322	-	3,419

Note A: These relate to common expenses and/or assets which are not allocated to the individual segments for management reporting purposes.

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

Refer to paragraph 8 for review of performance.

15. Breakdown of Sales

	FY2014	FY2013	Increase/ (Decrease)
	RMB'000	RMB'000	%
(a) Sales reported for the first half year	105,279	98,710	6.7%
(b) Net loss attributable to shareholders for the first half year	(388)	(1,194)	-67.5%
(c) Sales reported for the second half year	184,372	146,708	25.7%
(d) Net profit attributable to shareholders for the second half year	23,770	1,964	1110.3%

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

	FY2014	FY2013
	S\$'000	S\$'000
(a) Ordinary	-	-
(b) Preference	-	-
(c) Total	-	-

17. Interested Person Transactions

Period from 1 January 2014 to 31 December 2014

<u>Name of Interested Persons and Nature of Transactions</u>	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	FY2014	FY2013	FY2014	FY2013
	RMB'000	RMB'000	RMB'000	RMB'000
Income				
Youcan Foods (Hangzhou) Co., Ltd				
- Sales of goods *	-	-	5,495	10,263
Expenses				
Harbin Dali Aluminium Doors & Windows Products Co., Ltd				
- Purchases of goods	-	-	3,195	-
Harbin Dali Aluminium Doors & Windows Products Co., Ltd				
- Rental of premises	300	-	-	-

*: Pursuant to the resignation of Mr Dai Tianrong as a director of the Company with effect from 10 June 2014, Youcan Foods (Hangzhou) Co., Ltd was no longer considered an interested person. The amounts stated herein represented the value of the transactions entered into prior to 10 June 2014.

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13).

Pursuant to Rule 704(13) of the Listing Manual, we confirmed that there is no person occupying managerial position in the Company or in any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Wu Xueying
Chief Executive Officer & Executive Director
27 February 2015