FORISE INTERNATIONAL LIMITED

(Formerly known as Great Group Holdings Limited)

UNAUDITED RESULT For the Period Ended 31 December 2015

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

1(a)(i) A consolidated income statement (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial period.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group			Group		
	4Q15	4Q14	%Change	**FY2015**	FY2014	%Change
	RMB'000	RMB'000	+/(-)	**RMB'000**	RMB'000	+/(-)
Continuing Operations						
Revenue	**-**	-	n.m.	**862**	15	n.m.
Cost of sales	**-**	-	n.m.	**(831)**	(28)	n.m.
Gross profit	**-**	-	n.m.	**31**	(13)	n.m.
Other gains/(loss)	**47**	627	-92.5%	**68**	626	-89.1%
Expenses						
-Selling and distribution	**229**	(215)	n.m.	**-**	(859)	n.m.
-Administrative	**1,674**	(1,336)	n.m.	**(4,048)**	(6,585)	-38.5%
-Other operating expenses	**(49,842)**	-	n.m.	**(49,914)**	-	n.m.
-Finance	**(6)**	(4)	-50.0%	**(6)**	(4)	-50.0%
Loss before income tax	**(47,898)**	(928)	n.m.	**(53,869)**	(6,835)	n.m.
Income tax expenses	**-**	-	-94.5%	**-**	-	n.m.
Net Loss	**(47,898)**	(928)	n.m.	**(53,869)**	(6,835)	n.m.
Discontinued operation						
Profit/(loss) from discontinued operation, net of tax	**(127,087)**	(6,947)	n.m.	**(136,985)**	(14,812)	n.m.
Total Loss	**(174,985)**	(7,875)	n.m.	**(190,854)**	(21,647)	n.m.
Other comprehensive income, net of tax:						
Item that may be reclassified subsequently to profit or loss						
- Currency translation losses arising from consolidation	**-**	164	n.m.	**-**	21	n.m.
Total comprehensive loss	**(174,985)**	(7,711)	n.m.	**(190,854)**	(21,626)	n.m.
Net (loss)/profit attributable to						
-Equity holders of the Company	**(174,985)**	(7,711)	n.m.	**(190,854)**	(22,337)	n.m.
-Non-controlling interests	**-**	-	-	**-**	690	n.m.
	(174,985)	(7,711)	n.m.	**(190,854)**	(21,647)	n.m.
Total comprehensive (loss)/income attributable to						
-Equity holders of the Company	**(174,985)**	(7,711)	n.m.	**(190,854)**	(22,316)	n.m.
-Non-controlling interests	**-**	-	-	**-**	690	n.m.
	(174,985)	(7,711)	n.m.	**(190,854)**	(21,626)	n.m.

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial period:-

	Group			Group		
	4Q15	4Q14	%Change	**FY 2015**	FY 2014	%Change
	RMB'000	RMB'000	+/(-)	**RMB'000**	RMB'000	+/(-)
(Expense)/Income						
Depreciation of property, plant and equipment	**(41)**	-	n.m.	**(41)**	-	n.m.
Amortisation of intangible assets	**-**	-		**-**	-	
Interest income	**28**	627	-95.5%	**50**	627	+92.0%
Interest expense	**-**	-		**-**	-	
Foreign exchange gains/(losses), net	**510**	-	n.m.	**795**	-	n.m.
Government grants	**-**	-		**-**	-	n.m.
Fair value gain on derivatives financial instructments	**-**	-		**-**	-	
Loss on disposal of property, plant and equipment	**-**	-		**-**	-	
Allowance for impairment of trade receivables and others receivables	**-**	-		**-**	-	
Allowance for impairment of advances to suppliers	**-**	-		**-**	-	
Write down of inventories	**-**	-		**-**	-	

"n.m." denotes "not meaningful"

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1(b)(i) A balance sheet (for the issuer and the Group), together with a comparative statement as at the end of the immediately preceding financial period

	Group		Company	
	As at 31 Dec 2015 RMB'000	As at 31 Dec 2014 RMB'000	**As at 31 Dec 2015 RMB'000**	As at 31 Dec 2014 RMB'000
ASSETS				
Current assets				
Cash and cash equivalents	**72,880**	113,569	**38,244**	1,047
Trade and other receivables	**47618**	168,252	**-**	1,401
Inventories	**10,949**	52,828	**-**	-
Other current assets	**1,699**	404	**401**	390
Derivative financial assets	**439**	2,293	**-**	-
	133,585	337,346	**38,645**	2,838
Non-current assets				
Investments in subsidiaries	**-**	-	**-**	47,827
Property, plant and equipment	**37,721**	47,915	**122**	7
Intangible assets	**15,637**	15,990	**-**	-
Deposit for machinery and equipment	**-**	1,463	**-**	-
	53,358	65,368	**122**	47,834
Total assets	**186,943**	402,714	**38,767**	50,672
LIABILITIES				
Current liabilities				
Trade and other payables	**83,858**	77,838	**22,435**	18,869
Borrowings	**236,333**	306,387	**-**	-
Current income tax (assets)/liabilities	**1,618**	2,517	**-**	-
Total liabilities	**321,809**	386,742	**22,435**	18,869
NET (LIABILITIES)/ ASSETS	**(134,866)**	15,972	**16,332**	31,803
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	**147,745**	104,766	**147,745**	104,766
Restructuring reserve	**114,040**	114,040	**114,040**	114,040
Currency translation reserve	**(2,733)**	178	**-**	-
Warrant reserve	**674**	727	**674**	727
Accumulated losses	**(394,584)**	(203,731)	**(246,127)**	(187,730)
	(134,858)	15,980	**16,332**	31,803
Non-controlling interests	**(8)**	(8)	**-**	-
Total equity	**(134,866)**	15,972	**16,332**	31,803

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

Amount repayable within one year

	As at 31 Dec 2015		As at 31 Dec 2014	
	Secured RMB'000	**Unsecured RMB'000**	**Secured RMB'000**	**Unsecured RMB'000**
Bank borrowings	**120,359**	**-**	90,380	-
Bills payable	**78,395**	**-**	85,840	-
Trade financing	**37,579**	**-**	130,167	-
	236,333	**-**	306,387	-

Details of any collateral

- Bank borrowings of the Group are secured over leasehold buildings and workshops and land-use right of the Group and joint and several guarantees from a shareholder and its related parties.
- Bills payables of the Group are secured by certain short-term bank deposits of the Group and corporate guarantee from certain subsidiaries.
- Trade receivables factoring of the Group are secured by certain trade receivables and joint and several guarantees from a shareholder and its related parties.

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

	Group		Group	
	4Q15	4Q14	**FY 2015**	FY 2014
	RMB'000	RMB'000	**RMB'000**	RMB'000
Cash flows from operating activities				
Total loss	**(174,985)**	(7,875)	**(190,854)**	(21,647)
Adjustments for:				
-Income tax expense	**(139)**	2,515	**3,437**	5,454
-Amortisation and depreciation	**1,531**	1,737	**6,443**	6,591
-Loss on disposal of property, plant and equipment	**-**	101	**-**	256
-Loss on deconsolidation of a subsidiary	**-**	-	**-**	1,030
-Interest expense	**3,326**	2,325	**9,873**	10,092
-Interest income	**(374)**	(792)	**(3,105)**	(2,587)
-Fair value losses on derivative financial instruments	**1,854**	(1,093)	**1,854**	(1,476)
-Performance share expenses	**-**	(244)	**-**	-
-Gain on Disposal of property, plant and machinery	**(5,746)**	-	**(5,746)**	-
-Unrealised currency translation (gains)/losses	**1,979**	(94)	**(2,911)**	166
Operating profit/(losses) before changes in working capital	**(172,554)**	(1,639)	**(181,009)**	(2,121)
Changes in working capital:				
-Trade and other receivables	**147,815**	68,185	**120,994**	154,376
-Inventories	**24,635**	(14,596)	**41,879**	5,866
-Other current assets	**1,362**	2,043	**-**	1,593
-Trade and other payables	**(23,225)**	(24,579)	**6,020**	(14,449)
-Provision for restructuring and retrenchment	**-**	(559)	**-**	(6,501)
Cash (used in)/generated from operations	**(21,967)**	28,866	**(12,116)**	138,764
Interest received	**374**	792	**3,105**	2,587
Income tax paid	**4,870**	(751)	**(4,336)**	(5,098)
Net cash generated/(used in) from operating activities	**(16,723)**	28,896	**(13,347)**	136,253
Cash flows from investing activites				
Net cash outflow on deconsolidation of a subsidiary	**-**	-	**-**	(198)
Additions to property, plant and equipment	**(88)**	(3,308)	**(249)**	(4,745)
Deposit for machinery and equipment	**-**	-	**(32)**	(7)
Proceeds from disposal of property, plant & machinery	**9,961**	-	**10,099**	289
Net cash generated from/(used in) investing activities	**9,873**	(3,308)	**9,818**	(4,661)
Cash flows from financing activities				
Proceeds from rights issues	**-**	-	**42,133**	-
Proceeds from Warrants exercised	**793**	-	**793**	-
Proceeds from borrowings	**206,795**	103,660	**266,495**	485,122
Repayment of borrowings	**(212,664)**	(148,189)	**(336,549)**	(611,470)
Interest paid	**(3,326)**	(2,325)	**(9,873)**	(10,092)
Decrease/(increase) in short-term bank deposits pledged	**49,725**	(5,473)	**93,379**	(28,893)
Net cash generated from/(used in) financing activities	**41,323**	(52,327)	**56,378**	(165,333)
Net increase/(decrease) in cash and cash equivalents	**34,473**	(26,739)	**52,849**	(33,741)
Cash and cash equivalents at beginning of financial period	**39,774**	46,669	**20,190**	54,098
Effects on currency translation on cash and cash equivalents	**(1,367)**	260	**(159)**	(167)
Cash and cash equivalents at end of financial period	**72,880**	20,190	**72,880**	20,190

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

Note:

For the purpose of consolidated cash flow statement, cash and cash equivalents comprise the following :-

	Group		Group	
	4Q15	4Q14	**FY 2015**	FY 2014
	RMB'000	RMB'000	**RMB'000**	RMB'000
Cash and bank balances	**72,880**	113,569	**72,880**	113,569
Less: Short-term bank deposits pledged	**-**	(93,379)	**-**	(93,379)
	72,880	20,190	**72,880**	20,190

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1(d)(i) A statement (for the issuer and the 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 period

(RMB'000)	Attributable to equity holders of the Company								Non-controlling interest	Total Equity
	Share Capital	Shares to be issued	Restructuring Reserve	Performance Share	Warrant Reserve	Currency Translation Reserve	Retained Profits/ (Accumulated Losses)	Total		
Group										
At 1 January 2015	104,766	-	114,040	-	727	178	(203,731)	15,980	(8)	15,972
Rights Issues	42,133	-	-	-	-	-	-	42,133	-	42,133
Warrants Reserve exercised	846				(53)			793		793
Exchange Converse Reserve	-	-	-	-	-	(2,911)	-	(2,911)	-	(2,911)
Total comprehensive loss for the financial period	-	-	-	-	-	-	(190,854)	(190,854)	-	(190,854)
At 31 December 2015	147,745	-	114,040	-	674	(2,733)	(394,585)	(134,858)	(8)	(134,866)
At 1 January 2014	104,766	3,349	114,040	886	727	157	(182,280)	41,645	295	41,940
Total comprehensive loss for the financial period	-	-	-	-	-	21	(22,337)	(22,316)	690	(21,626)
Perfomance Share expense	-	-	-	(886)	-	-	886	-	-	-
Deconsolidation of a subsidiary	-	(3,349)	-	-	-	-	-	(3,349)	(993)	(4,342)
At 31 December 2014	104,766	-	114,040	-	727	178	(203,731)	15,980	(8)	15,972
Company										
At 1 January 2015	104,766	-	114,040	-	727	-	(187,730)	31,803	-	31,803
Right Issues	42,133	-	-	-	-	-	-	42,133	-	42,133
Warrant Reserve exercised	846				(53)			793		793
Total comprehensive loss for the financial period	-	-	-	-	-	-	(58,397)	(58,397)	-	(58,397)
At 31 December 2015	147,745	-	114,040	-	974	-	(246,127)	16,332	-	16,332
At 1 January 2014	104,766	3,349	114,040	886	727	-	(181,852)	41,916	-	41,916
Total comprehensive loss for the financial period	-	-	-	-	-	-	(6,764)	(6,764)	-	(6,764)
Perfomance Share expense	-	-	-	(886)	-	-	886	-	-	-
Deconsolidation of a subsidiary	-	(3,349)	-	-	-	-	-	(3,349)	-	(3,349)
At 31 December 2014	104,766	-	114,040	-	727	-	(187,730)	31,803	-	31,803

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 period

Share Capital

	Group and Company	
	As at 31 Dec 2015	As at 31 Dec 2014
	(No. of shares)	
Ordinary shares issued and fully paid		
At 1 January	**265,000,000**	265,000,000
Issue of new shares arising from rights issue (as announced on 14 August 2015)	**1,855,000,000**	-
Issue of new shares arising from exercise of warrants (as announced on 6 November 2015)	**10,000,000**	-
At reporting date	**2,130,000,000**	265,000,000

On 14 August 2015 the Company announced the results of rights issue (please refer to announcement dated 14 August 2015 "Renouceable non-underwritten rights issue in the capital of the company – results of rights issue") where 1,855,000,000 rights shares were alloted and issued by the Company on 18 August 2015.

Warrants

The Company had on 20 May 2013 announced its entry into a Subscription Agreement with SAPO Investment Pte Ltd (Subscriber). Pursuant to the Subscription Agreement, the Company will issue 30,000,000 unlisted and non-transferable warrants ("Warrants") to the Subscriber for a subscription price of S$150,000.

The Warrants were issued at an issue price of S$ 0.005 each with each Warrant carrying the right to subscribe for one new share of the Company upon exercise of the Warrants by the Subscriber at the exercise price of S$ 0.075 for each new share. As at 31 December 2014, no warrant was exercised and converted into ordinary share of the Company. The Warrants will expire on 18 July 2016.

On 6 November 2015, the warrant holder SAPO had exercised 10,000,000 warrants @0.0176 per warrant and the Company has issued 10,000,000 ordinary shares to SAPO for the warrants exercised.

	Group and Company	
	As at 31 December 2015	As at 31 Dec 2014
	(No. of warrants outstanding)	
Beginning of financial period/year	**30,000,000**	**-**
Adjustment Warrants arising from the rights issue	**98,000,000**	-
Issuance of warrants	**-**	30,000,000
Exercised of warrants	**(10,000,000)**	
End of financial period/year	**118,000,000**	30,000,000

Pursuant to condition 6(g) of the Warrants conditions and the rights issue undertaken by the Company, at an issue price of S$0.005 for each ordinary share **("Rights Share")** on the basis of seven (7) Rights Shares for one (1) existing ordinary share of the Company **("Rights Issue"),** the number of the Warrants and the exercise price of each Warrant were adjusted as follows:

a) the number of Warrants was adjusted from 30,000,000 to 128,000,000; and

b) the exercise price of each Warrant was adjusted from S$0.075 to S$0.0176.

c) SAPO had exercised 10,000,000 warrants at $0.0176 per warrant on 6 November 2015

There were no changes in the Company's share capital since the end of the previous period/year reported on and save as disclosed above there were no outstanding convertibles or treasury shares held as at 31 December 2015.

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.

	Group and Company	
Number of issued shares excluding treasury shares	**As at 31 Dec 2015**	As at 31 Dec 2014
At 1 Janauary	**265,000,000**	265,000,000
Issue of new shares arising from rights issue (as announced on 14 August 2015)	**1,855,000,000**	-
Issue of new shares arising from exercise of warrants (as announced on 6 November 2015)	**10,000,000**	-
At reporting date	**2,130,000,000**	265,000,000

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 report on.

Not applicable.

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

The figures in this announcement have not been audited or reviewed by the Group's auditors.

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

The Group had applied the same accounting policies and methods of computation in the Group's financial statement consistent with those applied for the most recently audited consolidated 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

In the current financial period, the Group adopted all the new/revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual period beginning on or after 1 January 2015. The adoption of the new / revised FRS did not result in any substantial change to the Group's accounting policies.

6. Earnings per ordinary share of the Group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends

	Group		Group	
	Fourth Quarter ended 31 Dec		Full year ended 31 Dec	
	2015	2014	**2015**	2014
	RMB Cents	RMB Cents	**RMB Cents**	RMB Cents
(Losses)/earnings per Share (Basic)				
- Continuing operations	**(2.25)**	(0.35)	**(5.72)**	(2.58)
- Discontinued operations	**(5.98)**	(2.62)	**(14.53)**	(5.59)
Number of shares				
Weighted average number of issued ordinary shares	**2,126,195,652**	265,000,000	**942,493,151**	265,000,000

	Group		Group	
	Fourth Quarter ended 31 Dec		Full Year ended 31 Dec	
	2015	2014	**2015**	2014
	RMB Cents	RMB Cents	**RMB Cents**	RMB Cents
(Losses)/earnings per Share (Diluted)				
- Continuing operations	**(2.13)**	(0.31)*	**(5.35)**	(2.58)*
- Discontinued operations	**(5.65)**	(2.34)*	**(13.61)**	(5.59)*
Number of shares				
Weighted average number of issued ordinary shares	**2,248,000,000**	297,400,000	**1,006,641,096**	265,000,000

Basic loss per share is computed by dividing the loss attributable to the equity holders of the Company in each financial period by the weighted average number of ordinary shares outstanding at the end of the respective financial period.

* As the Group incurred net losses for both the financial year 2014 and 2015, the dilutive potential shares from outstanding warrants, shares to be issued and performance shares are anti-dilutive and no change is made to the diluted losses per share.

7. Net assets 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 period

	Group		Company	
	As at 31 Dec 2015	As at 31 Dec 2014	**As at 31 Dec 2015**	As at 31 Dec 2014
	RMB Cents	RMB Cents	**RMB Cents**	RMB Cents
Net assets value per ordinary share	**(6.33)**	4.89	**0.77**	12.00
Number of issued ordinary shares as at end of the financial period/year	**2,130,000,000**	265,000,000	**2,130,000,000**	265,000,000

8. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review 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/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 period/year reported on.

Commentary on Financial Results

In our 4Q2015 results, we noted that : (i) the business conditions in the garment manufacturing business in China have become increasingly difficult and challenging; (ii) the Board had embarked on a strategic review of all businesses; and (iii) the Board intended to undertake a special review of receivables. Following the strategic and special review, the Board is of the opinion that it is difficult for the core manufacturing component of its garment business (excluding the trading business) to turn around in the near term. Thus, it has to be disposed off or discontinued to prevent further deterioration and depletion of resources. As a result, the Company, in consultation with the Company's auditor, has classified those manufacturing related entities businesses as "discontinued operations". As the Chinese textile industry continues to deteriorate, the Board has also made provision of impairments on receivables and inventories of RMB186.58 million.

In 4Q2015 the Group has disposed all the machineries of its production facilities held under the two main manufacturing subsidiaries to various third parties, retrenched all production workers and leased out its factory premises. The Group has reclassified the contract manufacturing business as discontinued operation in accordance to FRS105 Non-Current Assets Held for Sale and Discontinued Operations.

The factors that led to the Management's decision to cease production activities are as follows:

- years of recurring operating losses arising from highly intensified competition;
- continued deterioration in the business conditions of the garment manufacturing business in China;
- rising cost of labour and other business costs;
- compressed margins.

Notwithstanding the above, Management will continue its business activities in the trading of garments. With a lighter asset base, Management is also able to contain operation costs and expend more attention on higher margin products for the trading business.

	Discontinued operations			**Discontinued operations**		
	4Q15	4Q14	%Change	**FY 2015**	FY 2014	%Change
	RMB'000	RMB'000	+/(-)	**RMB'000**	RMB'000	+/(-)
Revenue	**61,926**	88,993	-30.4%	**315,850**	356,619	-11.4%
Cost of sales	**(74,855)**	(81,861)	-8.6%	**(316,978)**	(329,957)	-3.9%
Gross profit	**(12,929)**	7,132	n.m.	**(1,128)**	26,662	n.m.
Other gains/(loss)	**4,113**	2,718	+51.3%	**8,321**	5,414	+53.7%
Expenses						
-Selling and distribution	**(1,949)**	(3,711)	-47.5%	**(8,007)**	(10,155)	-21.2%
-Administrative	**(8,270)**	(8,250)	+0.20%	**(19,458)**	(21,191)	-8.2%
-Other Operating Expenses	**(106,934)**	-	n.m.	**(106,556)**	-	n.m.
-Finance	**(1,257)**	(2,321)	-45.8%	**(8,720)**	(10,088)	-13.6%
Loss before income tax	**(127,226)**	(4,432)	n.m.	**(133,548)**	(9,858)	n.m.
Income tax expenses	**139**	(2,515)	n.m.	**(3,437)**	(5,454)	-37.0%
Net loss	**(127,087)**	(6,947)	n.m.	**(136,985)**	(14,812)	n.m.

Selling and distribution expenses

Selling and distribution expenses decreased by RMB2.16 million from RMB10.16 million in FY2014 to RMB8.00 million in FY2015. For 4Q15, selling and distribution expenses decreased by RMB1.76 million from RMB3.71 million in 4Q14 to RMB1.95 million in 4Q15.

Administrative expenses

Administrative expenses decreased by RMB1.73 million from RMB21.19 million in FY2014 to RMB19.46 million in FY2015.

Other operating expenses

The Company has reclassified impairments on debts and net foreign exchange in other operating expenses. The impairment for receivables and advances to suppliers for FY2015 was RMB107.78 million,

Finance expenses

Finance expenses decreased by RMB1.37 million from RMB10.09 million in FY2014 to RMB8.73 million in FY2015. The decreased was mainly due to the lower bank borrowings and cash deposit pledged.

For 4Q15, finance expenses increased by RMB1.06 million from RMB2.33 million in 4Q14 to RMB1.26 million in 4Q15.

Income tax expense

Income tax expense decreased by RMB2.02 million from RMB5.45 million in FY2014 to RMB3.44 million in FY2015. For 4Q15, income tax expense overstated by RMB0.14 million from 2.52 million in 4Q14 to negative of RMB0.13 million in 4Q15.

Revenue

The recorded revenue of RMB315.85 million for the financial year ended 31 December 2015 ('FY2015"), a decrease of RMB40.77 million as compared to RMB356.63 million in FY2014.

For the 3 months ended 31 December 2015 ("4Q15") the Group recorded revenue of RMB61.93 million. This was a decrease of RMB27.07 million as compared to the revenue of RMB88.99 million in 4Q14.

The decrease in revenue was mainly due to the reduction in sale volumes, offset by the increase in the average selling price arising from different product mix.

Revenue - Discontinued Operations

	Revenue			Sales Volume			Average Selling Price		
	4Q15	4Q14	% Change +/(-)	**4Q15**	4Q14	% Change +/(-)	**4Q15**	4Q14	% Change +/(-)
	RMB'000	RMB'000		**PC'000**	PC' 000		**RMB/PC**	RMB/PC	
Contract manufacturing	**61,926**	88,993	-30.4%	**10,006**	13.441	-25.6%	**6.19**	6.62	-6.5%
Total	**61,926**	88,993	-30.4%	**10,006**	13,441	-25.6%	**6.19**	6.62	-6.5%

	Revenue			Sales Volume			Average Selling Price		
	FY 2015	FY 2014	% Change +/(-)	**FY 2015**	FY 2014	% Change +/(-)	**FY 2015**	FY 2014	% Change +/(-)
	RMB'000	RMB'000		**PC'000**	PC' 000		**RMB/PC**	RMB/PC	
Contract manufacturing	**315,850**	356,619	-11.4%	**42,263**	50,756	-16.7%	**7.47**	7.03	-6.3%
Total	**315,850**	356,619	-11.4%	**42,263**	50.756	-16.7%	**7.47**	7.03	-6.3%

Discontinued Operations - Revenue analysed by the geographical areas is as follows:

	Revenue			Revenue		
	4Q15 RMB'000	4Q14 RMB'000	**%Change** +/(-)	**FY 2015 RMB'000**	FY 2014 RMB'00	**%Change** +/(-)
Asia	**7,484**	23,216	-67.8%	**103,828**	87,079	+19.2%
Europe	**42,541**	45,206	-5.9%	**146,607**	208,265	-29.6%
America	**10,582**	18,894	-44.0%	**58,144**	47,900	+21.4%
Other	**1,319**	1,677	-2.1%	**7,271**	13,375	-45.6%
Total	**61,926**	88,993	-30.4%	**315,850**	356,619	-11.4%

The demand for the Group's products had declined in 4Q15 and FY2015 as compared to corresponding period last year. This was mainly attributed to lower revenue contributions in the European market of RMB2.67 million (5.9%) and RMB61.66 million (29.6%) for 4Q15 and FY2015 respectively. The slowdown in the European market was offset by an increase in revenue contributions from the Asian and American market of RMB16.75 million (19.2%) and RMB10.24 million (21.4%) respectively for FY2015.

Gross profit – Discontinued Operations

	Gross Profit			Gross Profit		
	4Q15 RMB'000	4Q14 RMB'000	%Change +/(-)	**FY 2015 RMB'000**	FY 2014 RMB'000	%Change +/(-)
Contract manufacturing	**(12,929)**	7,312	n.m.	(1,128)	26,662	n.m.
Gross Profit Margin	**-**	8.0%		-	7.5%	
Total	**(12,929)**	7,312	n.m.	(1,128)	26,662	n.m.
Total Gross Profit Margin	**-**	8.0%		-	9.2%	

Gross profit decreased by RMB27.79 million from RMB26.66 million in FY2014 to gross loss of RMB1.13 million in FY2015. For 4Q15, gross profit decreased by RMB20.24 million from RMB7.13 million in FY2014 to gross loss of RMB12.93 million in 4Q15. This was due to the impairment of inventories of RMB19.81 million

Other gains/(loss)

The Group recorded other gains of RMB8.32 million in FY2015, an increased of RMB2.91 million as compared to FY2014. The increase was mainly due to a gain of disposal of fixed assets of RMB5.75 million and interest income of RMB1.10 million and offset agaiinst decrease on government grant of RMB2.61million and fair value losses on derivative financial instruments of RMB3.33 milliion.

For FY2015, foreign exchange gains and losses has been reclassified to other operating expenses

Discontinued Operations

	Other gains/(loss)			Other gains/(loss)		
	4Q15 RMB'000	4Q14 RMB'000	%Change +/(-)	**FY 2015 RMB'000**	FY 2014 RMB'000	%Change +/(-)
Interest income	**346**	165	n.m.	**3,055**	1,960	+55.9%
Government grants	**92**	3	n.m	**694**	3,308	-79.0%
Fair value gains on derivative financial instruments	**(1,854)**	1,093	n.m	**(1,854)**	1,476	n.m.
Foreign exchange losses, net*	**-**	1,476	n.m.	**-**	140	n.m.
Loss on disposal of property, plant and equipment	**5,746**	(101)	n.m.	**5,746**	(255)	n.m.
Loss on deconsolidation of a subsidiary	**-**	-	n.m.	**-**	(1,030)	n.m.
Provision for restructuring	**-**	-	-	**-**	-	-
Rental income	**48**	-	n.m.	**462**	392	+17.9%
Other	**(265)**	82	n.m.	**218**	(577)	n.m.
Total	**4,113**	2,718	+51.3%	**8,321**	5,414	+53.7%

Commentary on Financial Position

Non current assets

Non-current assets decreased by RMB12.00 million from RMB65.34 million as at 31 December 2014 to RMB53.34 million as at 31 December 2015. This decrease was mainly due to depreciation and amortisation charges of RMB6.08 million for the current period. The group had disposed the machineries of RMB9.96 million to various parties. The machineries were disposed of proressively in tandemn with the winding down of the manufacturing operations and the group shifting its attention and focus on its trading operations.

Current Assets

Current assets had decreased by RMB203.76 million from RMB337.35 million in FY2014 to RMB133.59 million in FY2015. This was mainly due to impairments provided for receivables, advances to suppliers and inventories.

Cash and cash equivalents decreased by RMB40.69 million from RMB113.57 million as at 31 December 2014 to RMB72.88 as of 31 December 2015 due mainly to repayment of bank borrowings during the year.

Trade and other receivables decreased by RMB120.63 million from RMB168.25 million as at 31 December 2014 to RMB47.62 million as at 31 December 2015. The decrease was mainly due to impairments provided for accounts receivable and advance to suppliers of RMB107.78 million.

Trade and Other Receivables

	31 Dec 2015	31 Dec 2014	% Change
	RMB'000	RMB'000	+/ (-)
Trade receivables	**184,990**	186,249	-6.8%
Less: Allowance for impairment of trade receivables	**(163,362)**	(137,793)	+18.6%
	21,628	48,456	-55.4%
Advances to suppliers	**133,030**	103,222	+22.4%
Less: Allowance for impairment of advances to suppliers	**(118,304)**	(3,393)	n.m.
	14,726	99,829	-85.2%
Other receivables	**6,910**	8,090	-14.6%
Value added tax receivables	**4,354**	11,877	-66.3%
Total	**47,618**	168,252	-71.7%

Inventories

	31Dec 2015	31 Dec 2014	% Change
	RMB '000	RMB '000	+/ (-)
Raw materials	**18,138**	42,794	-57.6%
Work-in-progress	**610**	2,485	-75.5%
Finished goods	**27,015**	16,001	+68.6%
Sub-total	**45,763**	61,280	-25.3%
Less: Write-down of finished goods which were considered obsolete.	**(34,814)**	(8,452)	n.m.
Total	**10,949**	52,828	-79.3%

Inventories decreased by RMB41.88 million from RMB52.83 million as at 31 December 2014 to RMB10.95 million as at 31 December 2015. The decrease was mainly due to impairment of RMB19.81 million and the slow down of the manufacturing operations.

Current liabilities

Current liabilities decreased by RMB56.02 million from RMB386.74 million as at 31 December 2014 to RMB330.72 million as at 31 December 2015. The decrease was mainly due to the reduction in borrowings of RMB46.64 million and decreases in trade and other payables.

The breakdown of borrowings is as follows:

	As at 31 Dec 2015			As at 31 Dec 2014		
	Gross	**Deposits pledged**	**Net**	Gross	Deposits pledged	Net
	RMB' 000	**RMB' 000**	**RMB' 000**	RMB' 000	RMB' 000	RMB' 000
Bank borrowings	**120,359**	**-**	**120,359**	90,380	-	90,380
Bills payables	**78,395**	**-**	**78,395**	85,840	(38,379)	47,461
Trade financing	**37,579**	**-**	**37,579**	130,167	(55,000)	75,167
Total	**236,333**	**-**	**236,333**	306,387	(93,379)	213,008

Commentary on financial cash flow

The Group incurred net cash used in operating activities of RMB13.35 million in FY2015. This was mainly due to reduction in inventories and accounts receivables offset against losses for FY2015.

Net cash generated from investing activities in FY2015 was RMB9.82 million. This was mainly related to the disposal of machinery.

Net cash generated in financing activities in FY2015 was RMB56.38 million. This was mainly due to proceeds from rights issue of RMB42.13 million and short-term bank deposits pledged of RMB93.38 million offset by the repayment of borrowings of RMB70.05 million and interest payment of RMB9.87 million.

As a result of the above, cash and cash equivalents increased by approximately RMB52.85 million from approximately RMB20.19 million as at 31 December 2014 to approximately RMB72.88 million as at 31 December 2015 after accounting for the effects on currency translation on cash and cash equivalents of RMB0.16 million.

The Group incurred net cash used in operating activities of RMB16.72 million in 4Q15. This was mainly due to the cash generated from the decreased trade and other payables, receivables and inventories offset against losses.

Net cash generated from investing activities in 4Q15 was RMB9.87 million. This was mainly due to the proceeds from the disposal of machinery.

Net cash generated from financing activities in 4Q15 was RMB41.32 million. This was mainly due to proceeds from warrants exercised of RMB0.79 million and decreased in short-term bank deposits pledged of RMB49.73 million and net bank borrowings of RMB5.87 million.

As a result of the above, cash and cash equivalents increased by approximately RMB34.47 million from approximately RMB39.77 million as at 30 September 2015 to approximately RMB72.88 million as at 31 December 2015 after accounting for the effects on currency translation on cash and cash equivalents of RMB1.37million.

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

There is no variance between the prospect commentary given in our previous results announcement and the actual results for the period reported on.

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 business conditions for garment manufacturing in China have become increasingly difficult and challenging. This is mainly due to weakness in global demands, rising labour and other costs in China. The Group also noted the massive shift of many contract manufacturing business in garment industry to Vietnam due to, inter alia, (i) the strength of the RMB against the Dong, the lawful currency of Vietnam; (ii) the higher costs of labour in the PRC as compared to the costs of labour in Vietnam; and (iii) in anticipation that Vietnam will be part of the Trans-Pacific Partnership and thus be eligible for lower import dues in the United States of American as compared to the PRC. Accordingly, the Group seeks to stem its negative cash flow in the PRC by either closing or liquidating its contract manufacturing subsidiaries.

At the same time the Company is considering diversifying the business of the Group into the provision of corporate advisory and management consulting services to corporations. In the event that the Company intends to proceed, this diversification of business will be subject to shareholders' approval at an extraordinary general meeting to be convened. However, to ensure that the diversification is successful and meaningful, the Company may undertake some test projects on limited scale subject to these test projects not materially changing the risk profile of the Company.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

Not applicable.

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

As the Group disposed machinery progressively in Nov/Dec 2015 due to cease contract manufacturing business segment and continued its business model in trading.

Group	Contract Manufacturing - Discontinued Operations		All other Segments – Continuing Operations		Total	
	2015 RMB'000	2014 RMB'000	2015 RMB'000	2014 RMB'000	2015 RMB'000	2014 RMB'000
Revenue	**315,850**	356,619	**862**	15	**316,713**	356,634
Gross Profit (loss)	**(1,128)**	26,662	**31**	(13)	**(1,097)**	26,649
Other gains, net	**8,321**	5,414	**68**	626	**8,389**	6,040
Selling and distribution expenses	**(8,007)**	(10,155)	**-**	(859)	**(8,007)**	(11,014)
Administrative expenses	**(19,458)**	(21,191)	**(4,048)**	(6,585)	**(23,506)**	(27,776)
Other operating expenses	**(106,556)**	-	**(49,914)**	-	**(156,470)**	-
Finance expenses	**(8,720)**	(10,088)	**(6)**	(4)	**(8,726)**	(10,092)
Loss before income tax	**(133,548)**	(9,858)	**(53,869)**	(6,835)	**(187,417)**	(16,193)
Income tax expense	**(3,437)**	(5,454)	**-**	-	**(3,437)**	(5,454)
Net Loss	**(136,985)**	(14,812)	**(53,869)**	(6,835)	**(190,854)**	(21,647)
Net loss includes :						
- **Depreciation of property, plant and equipment**	**6,047**	6,043	**41**	31	**6,088**	6,074
- **Amortisation of intangible assets**	**353**	517	**-**	-	**353**	517
- **Impairment of receivables**	**54,331**	2,302	**-**	-	**54,331**	2,302
- **Write back of allowance for impairment of trade receivables**	**-**	(1,414)	**-**	-	**-**	(1,414)
- **Impairment of advances to suppliers**	**112,444**	1,603	**-**	-	**112,444**	1,603
- **Write back of allowance for impairment of advances to suppliers**	**-**	(1,778)	**-**	-	**-**	(1,778)
- **Inventories written-down**	**19,808**	1,653	**-**	-	**19,808**	1,653
- **Reversal of inventories written-down**		(1,270)	**-**	-	**-**	(1,270)
Segment assets	**-**	309,243	**186,943**	93,471	**186,943**	402,714
Segment assets includes :						
Additions to :						
- **Property, plant and equipment**	**-**	4,861	**256**	3	**256**	4,864
- **Deposits for machinery and equipment**	**-**	1,463	**-**	-	**-**	1,463
Segment liabilities	**-**	366,261	**321,809**	20,481	**321,809**	386,742

The Contract Manufacturing segment has been classified as discontinued segment in 4th quarter of 2015. As contract manufacturing still meet the qualitative thresholds for segment reporting, it continues to be reported in the segment information.

The Segment assets and liabilities under contract manufacturing do not meet the criteria FRS105 Non-Current Asset Held for Sale. The Group has classified the assets and liabilities under All other Segments for current financial year.

14. Interested person transactions

The Group does not have a general mandate from shareholders on interested person transactions. The aggregate value of interested person transactions for the period ended 30 September 2015 is as follows:

Name of interested person	Aggregate value of all interested person transaction 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 transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Purchases from Quanzhou Honghao Colour Printing Co., Ltd., a company in which our Ex-Director Mr Weng Wenju owns 50% of the interest. Mr Weng Wenju is brother of Mr Weng Wenwei.	RMB0.13 million	NA

Mr Weng Wenwei had, in connection with banking facilities granted by various banks to our Group, provided personal guarantees to secure such facilities. No fees were paid or are payable by our Group to Mr Weng Wenwei in connection with such guarantees.

15. 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.

No general mandate has been obtained from shareholders for IPTs.

16. Dislosure on the status on the used of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of the proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purposed, a breakdown with specific details on how the proceeds have been applied must be disclosed.

The details of the utilisation of proceeds for the rights issue as at 31 December 2015 are as follows:

Intented Used	Amount allocated S$ million	Amount utilised S$ million
To fund new potential investment and business through acquisition, joint venture/or collaboration in business	6,27	-
For general working capital purposes	2.50	0.60
Total	8.77	0.60

On behalf of the Board of Directors,

BY ORDER OF THE BOARD
Leo Peng WeiLe
Executive Director
29 February 2016