

FULL APEX (HOLDINGS) LIMITED
(Incorporated in Bermuda)

Unaudited Full Year Financial Statement And Dividend Announcement for the Year Ended 31 December 2016

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

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group		
	FY2016 RMB'000	FY2015 RMB'000	+/(-) %
Revenue (Note 1)	922,090	889,306	3.7
Cost of sales	(854,148)	(789,037)	8.3
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GROSS PROFIT (Note 2)	67,942	100,269	(32.2)
Other income and gains (Note 3)	24,042	7,307	229.0
Selling and distribution costs	(14,061)	(14,843)	(5.3)
Administrative expenses (Note 4)	(70,666)	(49,052)	44.1
Other operating expenses (Note 5)	(38,865)	(314,302)	(87.6)
Finance costs (Note 6)	(33,084)	(29,398)	12.5
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LOSS BEFORE INCOME TAX	(64,692)	(300,019)	(78.4)
Income tax credit	5,681	33,190	(82.9)
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LOSS FOR THE YEAR	(59,011)	(266,829)	(77.9)
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Loss for the year attributable to: Owners of the Company	(59,011)	(266,829)	(77.9)
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	(59,011)	(266,829)	(77.9)

1(a)(i) Statement of Comprehensive income

	Group		
	FY2016 RMB'000	FY2015 RMB'000	+/(-) %
Loss for the year	(59,011)	(266,829)	(77.9)
Other comprehensive income for the year:			
Items that may be reclassified subsequently to profit or loss:			
Exchange gains on translation of financial statements of foreign operations, net of tax	4,093	1,555	163.2
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Total comprehensive income for the year	(54,918)	(265,274)	(79.3)
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Total comprehensive income for the year attributable to: Owners of the Company	(54,918)	(265,274)	(79.3)
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	(54,918)	(265,274)	(79.3)

NM = not meaningful

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

	Group		+/(-) %
	FY2016 RMB'000	FY2015 RMB'000	
Interest income	98	1,145	(91.4)
Gains on disposals of property, plant and equipment	3,564	-	NM
Gain on disposal of wholly-owned subsidiary (Note 7)	16,816	-	NM
Fair value gains/(losses) on financial assets at fair value through profit or loss	23	(10)	NM
Sale of scrap products (Note 8)	3,158	3,645	(13.4)
Insurance compensation	-	2,380	(100.0)
Others	383	147	160.5
Other income and gains	24,042	7,307	229.0
Fair value losses on derivative financial instruments	-	8,336	NM
Impairment losses on property, plant and equipment (Note 9)	38,865	305,966	(87.3)
Other operating expenses	38,865	314,302	(87.6)
Interest expenses (Note 6)	33,084	29,398	12.5
Depreciation and amortisation	57,193	92,831	(38.4)

A. Notes:

- The increase in revenue was due mainly to higher sales from the polyethylene terephthalate ("PET") resin business which is also offsetted by lower sales of PET bottle business. With the closing down of the Group's PET bottle plants in Shenzhen and Tianjin in 4Q2015, sales contribution from PET bottles business decreased by 53.5% in FY2016 as compared to FY2015. However, sales contribution of PET bottles only accounted for 15.8% and 7.1% of total turnover in FY2015 and FY2016 respectively.
- The overall decrease in gross profit in FY2016 was due mainly to a significant erosion of gross margin in the PET resin business.
- The increase in other income and gains was due to the gain on disposal of Qingdao Full Apex Packing Vessel Co. Ltd. ("QFA") in 3Q2016 as explained in Note 7 below.
- The increase in administrative expenses was due mainly to the significant increase in net foreign exchange losses arising from the significant depreciation of the Reminbi against US dollar during the year.
- The other operating expenses represent the impairment loss on property, plant and equipment as explained in Note 9 below and fair value losses incurred in commodity future contracts taken to hedge principal raw material requirements of the Group against confirmed orders received in FY2015.
- The increase in finance costs was in line with the increase in interest-bearing borrowings.
- On 26 June 2016, the Group entered into a sale and purchase agreement to dispose QFA, a wholly-owned subsidiary of the Group, to an unrelated independent third party. The disposal has been completed on 28 September 2016 and the consideration of RMB23.8 million was fully received.
- Sale of scrap products represented mainly sale of scrap products from the PET resin production plant's ("PET Plant") operations.

9. Impairment loss on property, plant and equipment in FY2016 represents the impairment provision on the property, plant and equipment in paper packaging products segment and PET resin segment. The detailed breakdown of impairment provision are as following:

Segment	Before impairment carrying amount of				
	Property, plant and equipment, Construction in Progress RMB million	Land use rights RMB million	Total amount RMB million	Recoverable amount * RMB million	Impairment provision RMB million
Paper packaging products	3	-	3	-	3
PET preforms and PET bottles (a)	131	19	150	155	-
PET resin (b)	606	62	668	634	34
Unallocated	2	-	2	-	2
Total	742	81	823		39

* Recoverable amount is based on the value in use calculations. It was based on a profit and cash flow forecast covering a five-year period discounted to their present value using a pre-tax discount rate at approximately 10%.

- a. Based on the preliminary impairment evaluation of this segment performed by management, no impairment loss was provided for the year.
 - b. Based on the preliminary impairment evaluation of this segment performed by management, impairment loss of approximately RMB 34.0 million was provided for the year.
- B.
- i. There was no material investment income during the year.
 - ii. There were no material write-off for bad debts and no impairment in value of investments.
 - iii. Except for the disposal of QFA, there was no material disposals of property, plant and equipment during the 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 Dec 2016 RMB'000	31 Dec 2015 RMB'000	31 Dec 2016 RMB'000	31 Dec 2015 RMB'000
ASSETS AND LIABILITIES				
NON-CURRENT ASSETS				
Property, plant and equipment (Note 1)	703,497	802,119	-	-
Prepaid land lease payments	80,993	85,492	-	-
Interests in subsidiaries	-	-	153,021	153,021
Deferred tax assets	9,281	1,067	-	-
Prepayments	4,978	5,150	-	-
	<u>798,749</u>	<u>893,828</u>	<u>153,021</u>	<u>153,021</u>
CURRENT ASSETS				
Inventories (Note 2)	393,044	326,887	-	-
Trade and bills receivables	413,929	387,729	-	-
Deposits, prepayments and other receivables	165,279	149,993	121	115
Financial assets at fair value through profit or loss	52	26	-	-
Amounts due from subsidiaries	-	-	469,622	471,137
Amounts due from brokers (Note 3)	22	24	-	-
Cash and bank balances	20,253	65,766	32	32
	<u>992,579</u>	<u>930,425</u>	<u>469,775</u>	<u>471,284</u>
CURRENT LIABILITIES				
Trade and bills payables (Note 4)	14,570	116,720	-	-
Accruals, deposits received and other payables	22,537	19,862	927	1,260
Interest-bearing borrowings	659,058	536,582	-	-
Current tax liabilities	9,521	10,529	-	-
	<u>705,686</u>	<u>683,693</u>	<u>927</u>	<u>1,260</u>
NET CURRENT ASSETS	<u>286,893</u>	<u>246,732</u>	<u>468,848</u>	<u>470,024</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>1,085,642</u>	<u>1,140,560</u>	<u>621,869</u>	<u>623,045</u>
NET ASSETS	<u>1,085,642</u>	<u>1,140,560</u>	<u>621,869</u>	<u>623,045</u>
EQUITY				
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY				
Share capital	184,319	184,319	184,319	184,319
Treasury shares	(5,007)	(5,007)	(5,007)	(5,007)
Reserves	906,330	961,248	442,557	443,733
TOTAL EQUITY	<u>1,085,642</u>	<u>1,140,560</u>	<u>621,869</u>	<u>623,045</u>

Notes:

1. The Company has assessed the recoverable amount of its property, plant and equipment as at 31 December 2016 and made impairment provision of RMB39.0 million. For details, please see Note 9 in paragraph 1(a).
2. The increase in inventories was due mainly to higher raw material purchases made for PET resin production.
3. Amounts due from brokers represent deposits in the commodity brokers' trust account relating to the commodity future contracts.
4. The decrease in trade and bills payables was due mainly to the Group drawn down short term bank loans from PRC banks to purchase raw materials instead of bills in 4Q2016.

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

As at 31/12/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
659,058	-	536,582	-

Amount repayable after one year

As at 31/12/2016		As at 31/12/2015	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
-	-	-	-

Details of any collateral

The Group's bank loans bear interest ranging from 2% to 8% per annum. As at 31 December 2016, the Group's secured borrowings were supported by pledge of certain prepaid land lease payments (i.e. leasehold land) and buildings of the Group, and/or cross-guarantees executed by the Company and/or certain subsidiaries of the Company.

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.

	Group	
	FY2016 RMB'000	FY2015 RMB'000
Cash flows from operating activities		
Loss before income tax	(64,692)	(300,019)
Adjustments for:		
Gains on disposals of property, plant and equipment	(3,564)	-
Interest income	(98)	(1,145)
Fair value (gains)/losses on financial assets at fair value through profit or loss	(23)	10
Interest expenses	33,084	29,398
Amortisation of prepaid land lease payments	2,297	2,116
Depreciation	54,896	90,715
Fair value losses on derivative financial instruments	-	8,336
Impairment losses on property, plant and equipment	38,865	305,966
Impairment losses on trade receivables	53	-
Gain on disposal of a subsidiary	(16,816)	-
Net foreign exchange losses arising from translation of borrowings	30,704	2,003
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Operating profit before working capital changes	74,706	137,380
(Increase)/Decrease in inventories	(66,157)	44,454
(Increase)/Decrease in trade and bills receivables	(26,253)	31,350
Increase in deposits, prepayments and other receivables	(14,979)	(34,046)
(Decrease)/Increase in trade and bills payables	(102,150)	41,277
Increase/(Decrease) in accruals, deposits received and other payables	8,707	(925)
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Cash (used in)/generated from operations	(126,126)	219,490
Income tax paid	(3,541)	(4,639)
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Net cash (used in)/generated from operating activities	(129,667)	214,851
Cash flows from investing activities		
Purchases of property, plant and equipment	(837)	(35,297)
Proceeds from disposals of property, plant and equipment	4,538	-
Bank interest received	98	1,145
Decrease in margin deposits placed with brokers	-	18,436
Disposal of a subsidiary, net of cash disposal	23,611	-
Settlement of derivative financial instruments	-	(19,017)
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Net cash generated from/(used in) investing activities	27,410	(34,733)
Cash flows from financing activities		
Decrease/(Increase) in pledged bank deposits	19,643	(17,171)
Proceeds from interest-bearing borrowings	587,530	291,711
Repayments of interest-bearing borrowings	(495,758)	(443,776)
Payments for acquisition of additional interest in subsidiaries	(6,171)	(1,775)
Interest paid	(29,458)	(26,839)
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Net cash generated from/(used in) financing activities	75,786	(197,850)
Net decrease in cash and cash equivalents	(26,471)	(17,732)
Cash and cash equivalents at 1 January	40,007	56,186
Effect of foreign exchange rate changes, net	599	1,553
Cash and cash equivalents at 31 December	<hr/>	<hr/>
	14,135	40,007
Analysis of balances of cash and cash equivalents		
Amounts due from brokers	22	24
Cash on hand and at banks	20,253	65,766
Less: Restricted deposits (Note 1)	(6,140)	(25,783)
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	14,135	40,007

Note:

1. Restricted deposits refer to amounts placed with the Group's PRC banks for issue of bank acceptance bills to the Group's suppliers.

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.

The Group	Equity attributable to the owners of the Company							
	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Capital reserves RMB'000	Statutory reserves RMB'000	Foreign translation reserves RMB'000	Retained profits RMB'000	Total Equity RMB'000
At 1 Jan 2015	184,319	(5,007)	318,742	1,492	106,841	(1,880)	801,327	1,405,834
Loss for the year	-	-	-	-	-	-	(266,829)	(266,829)
Other comprehensive income:								
Exchange gains on translation of financial statements of foreign operations, net of tax	-	-	-	-	-	1,555	-	1,555
Total comprehensive income for the year	-	-	-	-	-	1,555	(266,829)	(265,274)
Transfer to statutory reserves	-	-	-	-	1,670	-	(1,670)	-
At 31 Dec 2015 and 1 Jan 2016	184,319	(5,007)	318,742	1,492	108,511	(325)	532,828	1,140,560
Loss for the year	-	-	-	-	-	-	(59,011)	(59,011)
Other comprehensive income:								
Exchange gains on translation of financial statements of foreign operations, net of tax	-	-	-	-	-	4,093	-	4,093
Total comprehensive income for the year	-	-	-	-	-	4,093	(59,011)	(54,918)
Transfer to statutory reserves	-	-	-	-	770	-	(770)	-
At 31 Dec 2016	184,319	(5,007)	318,742	1,492	109,281	3,768	473,047	1,085,642

The Company	Share capital RMB'000	Treasury shares RMB'000	Share premium RMB'000	Retained profits RMB'000	Total equity RMB'000
At 1 Jan 2015	184,319	(5,007)	318,742	125,485	623,539
Loss for the year, representing total comprehensive income for the year	-	-	-	(494)	(494)
At 31 Dec 2015 and 1 Jan 2016	184,319	(5,007)	318,742	124,991	623,045
Loss for the year, representing total comprehensive income for the year	-	-	-	(1,176)	(1,176)
At 31 Dec 2016	184,319	(5,007)	318,742	123,815	621,869

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.

During 2Q2016, in order to fulfill the Minimum Trading Price Requirement of SGX-ST, the Company has proposed a consolidation of every twenty existing ordinary shares with a par value of HK\$0.20 each in the authorised and issued capital of the Company into one consolidated share with a par value of HK\$4.00 in the authorised and issued capital of the Company, fractional entitlements to be disregarded. The proposed share consolidation was passed in a Special General Meeting held on 28 April 2016 and completed on 30 May 2016.

As at 31 December 2016, the Company's authorised capital was HK\$2,000,000,000 divided into 500,000,000 ordinary shares of HK\$4.00 each (31 December 2015: HK\$2,000,000,000 divided into 10,000,000,000 ordinary shares of HK\$0.20 each).

The Company's issued and paid-up capital was HK\$176,695,550 (31 December 2015: HK\$176,695,550) divided into 44,173,887 ordinary shares of HK\$4.00 each (31 December 2015: 883,477,752 ordinary shares of HK\$0.20 each).

As at 31 December 2016, the Company had 206,850 treasury shares (31 December 2015: 4,137,000 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.

	As at	
	31 Dec 2016	31 Dec 2015
Total number of issued shares (excluding treasury shares)	43,967,037	879,340,752

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.

There were no sale, transfer, disposal, cancellation and/or use of treasury shares during the year.

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

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

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

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements for the year ended 31 December 2015.

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 has applied all of the new standards, amendments and interpretations (the "new IFRSs") issued by the International Accounting Standards Board (the "IASB") and the International Financial Reporting Interpretation Committee (the "IFRIC") of the IASB, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2016. The adoption of these new/revised IFRSs does not result in any substantial change to the Group's accounting policies nor any significant impact on the financial statements.

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	
	FY2016	FY2015 (Adjusted)
Losses per ordinary share for the year based on net loss attributable to the owners of the Company:-		
(i) Based on the weighted average number of ordinary shares on issue (RMB cents)	(134.22)	(606.88)
(ii) On a fully diluted basis (RMB cents)	N/A	N/A

Basic losses per share for FY2016 is calculated based on the Group's net loss attributable to the owners of the Company of RMB59,011,000 (2015: net loss attributable to the owners of the Company of RMB266,829,000) divided by the weighted average number of 43,967,037 ordinary shares of HK\$4.00 each in issued during the financial year (2015: 43,967,037 ordinary shares of HK\$4.00 each adjusted after effect of consolidation).

Diluted earnings per share for the years ended 31 December 2016 and 2015 have not been presented as there is no dilutive potential ordinary share in existence during the years.

**7. Net asset value attributable to the owners of the Company (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	Group			Company		
	31 Dec 2016	31 Dec 2015 (Adjusted)	+/(-) %	31 Dec 2016	31 Dec 2015 (Adjusted)	+/(-) %
Net asset value ("NAV") attributable to the owners of the Company per ordinary share (RMB cents)	2,469.2	2,594.1	(4.8)	1,414.4	1,417.1	(0.2)

The NAV attributable to the owners of the Company per ordinary share as at 31 December 2016 have been calculated based on 43,967,037 ordinary shares of HK\$4.00 each (2015: 43,967,037 ordinary shares of HK\$4.00 each adjusted after effect of consolidation).

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.

Review of the Group Performance

FY2016 versus FY2015

Compared to FY2015, Group revenue increased by 3.7% or RMB32.8 million from RMB889.3 million to RMB922.1 million. Increase sales in PET resin business was offset by lower sales of PET bottle business. Sales contribution from the PET bottles business decreased by 53.5% in FY2016 as compared to FY2015. However, sales contribution of PET bottles only accounted for 15.8% and 7.1% of total turnover in FY2015 and FY2016 respectively.

The overall decrease in gross profit margin in FY2016 was due mainly to a significant erosion of gross margin in the PET resin business.

Other income and gains increased by RMB16.7 million from RMB7.3 million to RMB24.0 million was mainly due to the Group disposed QFA, its wholly-own subsidiary in China, to an unrelated independent third party during 3Q2016.

The Company has assessed the value of the Group's property, plant and equipments as at 31 December 2016 and made impairment provision of RMB39.0 million in the fourth quarter of 2016. For details, please see Note 9 in paragraph 1(a).

Due to the significant depreciation of the Reminbi against US dollar during the year, the net foreign exchange losses incurred in FY2016 was RMB29.3 million which was included in administrative expenses. If excluding the net foreign exchange losses incurred during the year, the Company recorded a marginal loss before interest and tax of RMB2.3 million.

Loss before income tax decreased by RMB235.3 million from RMB300.0 million to RMB64.7 million. Loss after tax decreased by RMB207.8 million from RMB266.8 million to RMB59.0 million.

Net loss attributable to the owners of the Company was RMB59.0 million, against prior year net loss attributable to the owners of the Company of RMB266.8 million.

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

Not applicable.

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 the Group's customers are in a consumer-based industry, demand for the Group's products will be adversely affected by the moderation in the economic growth in the PRC and the resultant reduction in discretionary consumer spending power. This has a direct impact on the Group's key customers.

The Group will continue efforts to increase sales of its PET resin business as appropriate, in order to fully utilise its production capacity to improve operational efficiency and reduce unit costs. The current production capacity of PET resin business was running at between 50% to 60% of full capacity. Gross profit margins will continue to be under pressure due to weak demand.

The Group continues to be vulnerable to the volatility oil prices which would have an impact on principal raw materials used by the Group.

As at 31 December 2016, the Company missed the payment of three instalments of the syndicated loan amounted to USD13.8 million. However, the Company has repaid part of the instalments (USD2.3 million) during 2016. All overdue and current interests were also paid. The Company is in the process of rectifying the situation and negotiating with the bankers to restructure the payment terms for the remaining amount of the syndicated loan. The Company is also in negotiation with other non-syndicated loan bankers to restructure the existing bank facilities.

On 10 November 2016, the Company entered into a Memorandum of Understanding ("MOU") with National Industrial Clusters Development Program of the Kingdom of Saudi Arabia (the "Kingdom"), to explore the possibility of conducting a feasibility study for establishing manufacturing facilities for Purified Terephthalic Acid, PET and other polyester products at Jazan Economic City in the Kingdom (the "Project"). By entering into the MOU, both parties agree to work together in exploring viability of the investment opportunity in the Project. For more details, please refer to a separate announcement released by the Company on 14 November 2016. The feasibility studies on the Project are in progress.

11. A. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Nil

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Nil

(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 was declared for the year ended 31 December 2016.

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

Segment information	2016				
	Paper packaging products RMB'000	PET preforms and PET bottles RMB'000	PET resin RMB'000	Eliminations RMB'000	Total RMB'000
Revenue					
Sales to external customers	15,672	65,424	840,994	-	922,090
Other revenue	231	3,521	3,357	-	7,109
Intersegment sales	-	-	30,635	(30,635)	-
Segment results	(3,633)	(989)	(1,643)	-	(6,265)
Unallocated income					16,933
Unallocated expenses					(42,276)
Operating loss					(31,608)
Finance costs					(33,084)
Loss before income tax					(64,692)
Income tax credit					5,681
Loss for the year					(59,011)
Segment information	2015				
	Paper packaging products RMB'000	PET preforms and PET bottles RMB'000	PET resin RMB'000	Eliminations RMB'000	Total RMB'000
Revenue					
Sales to external customers	14,964	140,697	733,645	-	889,306
Other revenue	272	1,235	4,665	-	6,172
Intersegment sales	-	-	54,744	(54,744)	-
Segment results	(2,460)	(107,407)	(147,953)	-	(257,820)
Unallocated income					1,135
Unallocated expenses					(13,936)
Operating loss					(270,621)
Finance costs					(29,398)
Loss before income tax					(300,019)
Income tax credit					33,190
Loss for the year					(266,829)

Total sales to external customers outside the PRC are less than 10% of the Group's total sales, therefore no geographical segment information is provided.

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.

Please refer to Paragraphs 8 and 10 above.

15. A breakdown of sales.

	Group		+ / (-) %
	FY2016 RMB'000	FY2015 RMB'000	
Sales reported for the first half year	541,942	547,661	(1.0)
Operating (loss)/profit after income tax before non-controlling interests reported for the first half year	(13,067)	5,104	NM
Sales reported for the second half year	380,148	341,645	11.3
Operating loss after income tax before non-controlling interests reported for the second half year	(45,944)	(271,933)	(83.1)

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

Total Annual Dividend

	Latest Full Year (RMB)	Previous Full Year (RMB)
Ordinary	-	-
Preference	-	-
Total:	-	-

17. Interested person transactions (IPTs)

The Company does not have a shareholders' mandate for IPTs. There were no IPTs during the year.

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.

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Guan Lingyun	53	The younger brother of Mr Guan Lingxiang and brother-in-law of Ms Liang Huiying	Current position: Non-executive Director of the subsidiaries of the Company.	No change.

Guan Yong	50	The cousin of Mr Guan Lingxiang and Mr Guan Lingyun	Current position: Non-executive Director of a subsidiary of the Company.	No change.
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19. Confirmation by the Company in compliance with Rule 720(1) of the SGX-ST Listing Manual

The Company has procured the undertakings (in the format set out in Appendix 7.7) from all its Directors and Executive Officers.

BY ORDER OF THE BOARD

Guan Lingxiang
Executive Chairman
1 March 2017