

China Yongsheng Limited
(Incorporated in Singapore under Registration No. 197302032R)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

This announcement has been reviewed by the Company's Sponsor, Provenance Capital Pte. Ltd. ("Sponsor") for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("SGX-ST"). The Company's Sponsor has not independently verified the contents of this announcement.

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The details of the contact person for the Sponsor are:

Name: Ms Wong Bee Eng (Chief Executive Officer, Provenance Capital Pte. Ltd.)
Address: 96 Robinson Road, #13-01, SIF Building, Singapore 068899
Telephone: 6227 1580

China Yongsheng Limited
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UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

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

- 1(a) Consolidated statement of comprehensive income for China Yongsheng Limited (the “Company”) and its subsidiaries (the “Group”), together with comparative statement for the corresponding period of the immediately preceding financial year.**

	Group		Increase / (decrease)	
	FY2015	FY2014	Rmb'000	%
	Rmb'000	Rmb'000		
Revenue	247,614	656,227	(408,613)	(62)
Cost of sales	(236,121)	(577,342)	(341,221)	(59)
Gross profit	<u>11,493</u>	<u>78,885</u>	<u>(67,392)</u>	(85)
Other operating income	10,133	4,519	5,614	124
Selling and distribution expenses	(8,002)	(12,575)	(4,573)	(36)
General and administrative expenses	(34,716)	(42,535)	(7,819)	(18)
Other operating expenses	(4,563)	(1,272)	3,291	259
Share of loss of associate	(11)	(362)	(351)	(97)
Finance income	12,062	18,145	(6,083)	(34)
Finance expenses	<u>(14,947)</u>	<u>(18,249)</u>	<u>(3,302)</u>	(18)
(Loss)/Profit before income tax	(28,551)	26,556	(55,107)	N.M.
Income tax expense				
- current year	4,673	(12,659)	(17,332)	N.M.
- prior years	<u>-</u>	<u>(15)</u>	<u>(15)</u>	N.M.
(Loss)/Profit for the year, representing total comprehensive income for the year	<u>(23,878)</u>	<u>13,882</u>	<u>(37,760)</u>	N.M.

The Group's (loss)/profit before income tax is arrived at after charging/(crediting) the following:

	Group	
	FY2015	FY2014
	Rmb'000	Rmb'000
Depreciation of property, plant and equipment	13,379	17,235
Impairment loss on property, plant and equipment	2,493	-
Loss/(Gain) on disposal of property, plant and equipment	807	(48)
Property, plant and equipment written off	46	67
Gain on disposal of subsidiary	(7,932)	-
Amortisation of land use rights	183	183
Net allowance for doubtful debts/Bad debts written off	2,891	9,156
Foreign currency exchange loss/(gain)	2,996	(269)
Allowance for inventory obsolescence	355	-

Note:

N.M. – Not Meaningful

1(b)(i) Statements of financial position for the Group and the Company, together with comparative statements as at the end of the immediately preceding financial year

	Group		Company	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	Rmb'000	Rmb'000	Rmb'000	Rmb'000
Non-current assets				
Property, plant and equipment	62,051	81,366	4	13
Land use rights	6,759	6,942	-	-
Subsidiaries	-	-	236,112	236,112
Due from a subsidiary (non-trade)	-	-	98,313	96,002
Associate	3,295	3,306	-	-
Deferred tax assets	14,361	9,439	-	-
	<u>86,466</u>	<u>101,053</u>	<u>334,429</u>	<u>332,127</u>
Current assets				
Inventories	2,287	4,293	-	-
Trade and other receivables	573,323	808,713	12,558	11,603
Cash and cash equivalents	16,228	67,484	1,078	667
	<u>591,838</u>	<u>880,490</u>	<u>13,636</u>	<u>12,270</u>
Assets classified as held for sale	24,475	41,638	-	-
	<u>616,313</u>	<u>922,128</u>	<u>13,636</u>	<u>12,270</u>
Total assets	<u><u>702,779</u></u>	<u><u>1,023,181</u></u>	<u><u>348,065</u></u>	<u><u>344,397</u></u>

	Group		Company	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	Rmb'000	Rmb'000	Rmb'000	Rmb'000
Capital and reserves				
Share capital	182,405	182,405	653,285	653,285
Reserves	71,651	79,014	-	-
Accumulated profits/(losses)	104,970	121,485	(306,885)	(310,370)
Total equity	<u>359,026</u>	<u>382,904</u>	<u>346,400</u>	<u>342,915</u>
Current liabilities				
Trade and other payables	158,453	397,949	1,665	1,482
Short-term bank borrowings	172,944	219,357	-	-
Mortgage loans	-	6,747	-	-
Income tax payable	4,069	7,937	-	-
	<u>335,466</u>	<u>631,990</u>	<u>1,665</u>	<u>1,482</u>
Liabilities directly associated with assets classified as held for sale	8,287	8,287	-	-
Total liabilities	<u>343,753</u>	<u>640,277</u>	<u>1,665</u>	<u>1,482</u>
Total equity and liabilities	<u><u>702,779</u></u>	<u><u>1,023,181</u></u>	<u><u>348,065</u></u>	<u><u>344,397</u></u>

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

	As at 31 December 2015		As at 31 December 2014	
	Secured	Unsecured	Secured	Unsecured
	Rmb'000	Rmb'000	Rmb'000	Rmb'000
Amount repayable in one year or less, or on demand				
Mortgage loans	-	-	6,747	-
Short-term bank borrowings and bills payables	174,744	-	273,557	-
	<u>174,744</u>	<u>-</u>	<u>280,304</u>	<u>-</u>

Details of any collateral:

Mortgage loans, short-term bank borrowings and bills payables are secured by property, plant and equipment, land use rights and certain bank balances and trade receivables pledged by certain subsidiaries, guarantees of certain directors, related parties and a non-related party and letters of credit issued by banks.

1(c) Consolidated statement of cash flows for the Group, together with comparative statement for the corresponding period of the immediately preceding financial year.

	Group	
	31 December 2015	31 December 2014
	Rmb'000	Rmb'000
Operating activities		
(Loss)/Profit before income tax	(28,551)	26,556
Adjustments for:		
Depreciation of property, plant and equipment	13,379	17,235
Impairment loss on property, plant and equipment	2,493	-
Loss/(Gain) on disposal of property, plant and equipment	807	(48)
Property, plant and equipment written off	46	67
Amortisation of land use rights	183	183
Allowance for impairment loss on trade receivables/Bad debts written off	2,891	5,757
Allowance for impairment loss on other receivables/Bad debts written off	-	3,399
Allowance for inventories	355	-
Gain on disposal of subsidiary	(7,932)	-
Share of loss of associate	11	362
Finance income	(12,062)	(18,145)
Finance expenses	14,947	18,249
Unrealised foreign exchange loss	2,769	-
Operating cash flows before movements in working capital	(10,664)	53,615
Trade and other receivables	231,526	103,266
Inventories	451	53
Trade and other payables	(225,522)	(133,020)
Cash (used in)/generated from operations	(4,209)	23,914
Income tax paid	(4,283)	(10,253)
Net cash (used in)/from operating activities	(8,492)	13,661

	Group	
	31 December 2015	31 December 2014
	Rmb'000	Rmb'000
Investing activities		
Purchase of property, plant and equipment	(200)	(3,059)
Proceeds from disposal of property, plant and equipment	885	276
Deposit received for the intended sale of a subsidiary	-	4,000
Net cash inflow from disposal of subsidiary (Note A)	25,860	-
Interest received	637	1,190
Net cash from investing activities	27,182	2,407
Financing activities		
Mortgage loan repayments	(6,747)	(15,152)
Loans from related party	10,000	-
Repayment of loans from related party	(10,000)	-
Repayments of short-term bank borrowings	(319,345)	(263,750)
Proceeds from short-term bank borrowings	270,163	264,528
Interest paid	(14,017)	(17,263)
Decrease in pledged bank balances	34,705	26,528
Net cash used in financing activities	(35,241)	(5,109)
Net (decrease)/increase in cash and cash equivalents	(16,551)	10,959
Cash and cash equivalents at beginning of the year	31,902	20,943
Cash and cash equivalents at end of the year	15,351	31,902
Cash and cash equivalents include:		
Cash at bank and on hand	16,228	67,484
Assets classified as held for sale	23	23
Pledged bank balances	(900)	(35,605)
	15,351	31,902

Note A

During the financial period ended 30 June 2015, the Group disposed of its 100% equity interest in Suzhou Industrial Park Yongsheng Concrete Co., Ltd (“SIP Yongsheng”), to Shanghai Jiangong Construction Material Co., Ltd and Shanghai Construction Overseas (Holdings) Limited. The values of assets and liabilities of SIP Yongsheng recorded in the financial statements as at the date of disposal, and cash flow effect of the disposal are as follows:

	Group 30 June 2015 Rmb'000	Group 30 June 2015 Rmb'000
Inventories	1,200	
Trade and other receivables	12,237	
Cash and cash equivalents	216	
Assets classified as held for sale	18,963	
Trade and other payables	<u>(10,472)</u>	
Net assets disposed	22,144	
Gain on disposal	<u>7,932</u>	
Total consideration		30,076
Consideration satisfied by:		
Trade and other payables		(4,000)
Cash and cash equivalents on disposal of subsidiary		<u>(216)</u>
Net cash inflow on disposal of subsidiary		<u>25,860</u>

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

	Share capital Rmb'000	Reserves Rmb'000	Accumulated profits Rmb'000	Total equity Rmb'000
<u>Group</u>				
At 1 January 2014	182,405	74,297	112,320	369,022
Profit for the year, representing total comprehensive income for the year	-	-	13,882	13,882
Transfer to statutory reserve fund	-	4,717	(4,717)	-
At 31 December 2014	182,405	79,014	121,485	382,904
At 1 January 2015	182,405	79,014	121,485	382,904
Loss for the year, representing total comprehensive income for the year	-	-	(23,878)	(23,878)
Disposal of subsidiary	-	(7,363)	7,363	-
At 31 December 2015	182,405	71,651	104,970	359,026
	Share capital Rmb'000	Accumulated losses Rmb'000	Total equity Rmb'000	
<u>Company</u>				
At 1 January 2014	653,285	(308,530)	344,755	
Loss for the year, representing total comprehensive income for the year	-	(1,840)	(1,840)	
At 31 December 2014	653,285	(310,370)	342,915	
At 1 January 2015	653,285	(310,370)	342,915	
Profit for the year, representing total comprehensive income for the year	-	3,485	3,485	
At 31 December 2015	653,285	(306,885)	346,400	

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.

The Company did not issue any new capital during the financial year ended 31 December 2015.

There are no outstanding convertibles or treasury shares as at 31 December 2015 and 31 December 2014 respectively.

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.

The Company did not hold any treasury shares as at the end of the current financial year reported on and as at the end of the immediately preceding financial year. The total number of issued shares of the Company as at 31 December 2015 and as at 31 December 2014 is 1,663,900,000.

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

There was no sale, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial year reported on.

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

The figures have not been audited nor reviewed by our 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.

Except as disclosed in section 5 below, the Group has adopted the same accounting policies and methods of computation for the current financial year ended 31 December 2015 as compared with the audited consolidated financial statements for the financial year ended 31 December 2014.

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 Group adopted various new/revised Financial Reporting Standards (FRS) and Interpretations of FRSs (INT FRSs) which took effect for the financial year beginning on 1 January 2015. The adoption of these new/revised FRS and INT FRSs did not result in any significant impact on the financial statements of the Group.

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	
	31 December 2015	31 December 2014
	Rmb	Rmb
(a) Based on weighted average number of ordinary shares (cents/share)	<u>(1.44)</u>	<u>0.83</u>
(b) Based on fully diluted basis (cents/share)	<u>(1.44)</u>	<u>0.83</u>
Weighted average number of shares ('000) in issue used for calculation of earnings per share	<u>1,663,900</u>	<u>1,663,900</u>

Earnings per share is calculated based on the Group's profit for the year attributable to the equity holders of the Company divided by the weighted average number of ordinary shares in issue during the financial year.

The Group does not have any potential dilutive ordinary shares in existence for the financial years ended 31 December 2015 and 31 December 2014.

7. **Net asset value for the Group and the Company 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 December 2015	31 December 2014	31 December 2015	31 December 2014
	Rmb	Rmb	Rmb	Rmb
Net asset value per ordinary share based on issued share capital as at the end of the year (cents/share)	21.58	23.01	20.81	20.61
Number of shares in issue as at end of the year ('000)	1,663,900	1,663,900	1,663,900	1,663,900

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 Performance

Revenue

Revenue decreased from Rmb656.2 million in FY2014 to Rmb247.6 million in FY2015 mainly due to a substantial drop in sales volume as a result of the challenging and competitive environment amidst weaknesses in the building and housing industries in Suzhou.

Cost of sales

Cost of sales decreased from Rmb577.3 million in FY2014 to Rmb236.1 million in FY2015 mainly in line with the decrease in revenue.

Gross profit

Gross profit decreased from Rmb78.9 million in FY2014 to Rmb11.5 million in FY2015 mainly in line with the decrease in revenue.

Other operating income

Other operating income increased from Rmb4.5 million in FY2014 to Rmb10.1 million in FY2015 mainly due to the disposal of Suzhou Industrial Park Yongsheng Concrete Co., Ltd (“SIP Yongsheng”). This increase is partially offset by the decreases in government grants and rental income.

Selling and distribution expenses

Selling and distribution expenses decreased from Rmb12.6 million in FY2014 to Rmb8.0 million in FY2015 mainly due to lower marketing expenses incurred during the year.

General and administrative expenses

General and administrative expenses decreased from Rmb42.5 million in FY2014 to Rmb34.7 million in FY2015 mainly due to lower allowance for doubtful debts and lower staff costs. This is partially offset by the exchange loss incurred.

Other operating expenses

Other operating expenses increased from Rmb1.3 million in FY2014 to Rmb4.6 million in FY2015 mainly due to the impairment loss on property, plant and equipment and increase in loss on disposal of property, plant and equipment.

Share of loss of associate

The decrease in share of loss of associate was due to decrease in losses reported by the associate during the year.

Finance income

The effect of the discounting of trade receivables which are contractually collectible after one year is debited against revenue whereas the subsequent unwinding effect of discounting is recognised as finance income. Finance income decreased from Rmb18.1 million in FY2014 to Rmb12.1 million in FY2015 mainly due to lower unwinding effect of the discounting in the year.

Finance expenses

Finance expenses decreased from Rmb18.2 million in FY2014 to Rmb14.9 million in FY2015 mainly due to lower bank borrowings.

Income tax expense

Income tax credit of Rmb4.7 million in FY2015 was mainly due to deferred tax income recognised.

Review of Financial Position

Property, plant and equipment decreased from Rmb81.4 million as at 31 December 2014 to Rmb62.1 million as at 31 December 2015 mainly due to depreciation for the year. Depreciation for the year decrease mainly due to disposal of subsidiary.

Deferred tax assets increased from Rmb9.4 million as at 31 December 2014 to Rmb14.4 million as at 31 December 2015 due to recognition of deferred tax income.

Inventories decreased from Rmb4.3 million as at 31 December 2014 to Rmb2.3 million as at 31 December 2015 mainly due to disposal of subsidiary.

Trade and other receivables decreased from Rmb808.7 million as at 31 December 2014 to Rmb573.3 million as at 31 December 2015 mainly due to collections from trade receivables and decrease in sales.

Assets held for sale decreased from Rmb41.6 million as at 31 December 2014 to Rmb24.5 million as at 31 December 2015 mainly due to the completion of the disposal of a subsidiary in FY2015.

Trade and other payables decreased from Rmb397.9 million as at 31 December 2014 to Rmb158.5 million as at 31 December 2015 mainly due to payments to trade payables.

Short-term bank borrowings decreased from Rmb219.4 million as at 31 December 2014 to Rmb172.9 million as at 31 December 2015 mainly due to repayment of loans during the year.

Mortgage loans were fully repaid during the year.

Income tax payable decreased from Rmb7.9 million as at 31 December 2014 to Rmb4.1 million as at 31 December 2015 mainly due to income tax paid during the year.

Review of Cash Flows

The Group reported negative cash flows from operating activities of Rmb8.5 million in FY2015 mainly due to loss for the year. However, with the net cash received from investing activities, the Group maintained cash and bank balances of Rmb16.2 million as at 31 December 2015.

Cash flows from investing activities in FY2015 amounting to Rmb27.2 million were mainly attributable to proceeds from the disposal of subsidiary during the year.

Cash flows used in financing activities in FY2015 amounting to Rmb35.2 million were mainly attributable to repayments of mortgage loans and short-term bank borrowings and payment of interest. These are offset by the decrease in pledged bank balances.

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

No forecast or prospect statement has been previously disclosed to the shareholders.

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 continues to operate in a challenging and competitive environment amidst the continuing weaknesses in the building and housing industries in Suzhou. The situation is not expected to improve in the near future.

The Company had announced on 23 October 2014 that the Board received a formal proposal (the “Proposal”) from an entity related to certain executive directors of the Company that may result in the delisting of the Company. Please refer to announcements on this subject.

11. Dividend

(a) *Current Financial Period Reported On*

Any dividend declared during 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) *Book closure date.*

Not applicable.

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

No dividend has been declared/recommendeded.

13. Interested Person Transactions (“IPT”)

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.

The aggregate value of transactions entered into by the Group with interested persons and their affiliates, as defined in the SGX Listing Manual, are as follows:

	Aggregate value of all transactions (excluding transactions less than S\$100,000 and conducted under a shareholders’ mandate pursuant to Rule 920) FY2015 Rmb’000	Aggregate value of all transactions conducted under a shareholders’ mandate pursuant to Rule 920 of the SGX Listing Manual (excluding transactions less than S\$100,000) FY2015 Rmb’000
Interested Persons (“IP”)		
Suzhou Lingyun Concrete Co., Ltd (“Lingyun”)	113	-
Suzhou Huaqing Co., Ltd (“Huaqing”)	432	-

Transactions between the Group and Lingyun or Huaqing are deemed to be transactions between the Group with the same interested person as Huaqing owns 57.55% interest in Lingyun. Mr Sun Jianming has interest in Lingyun. Mr Zhao Deming and his family have interests in Lingyun and Huaqing.

The Group does not have any general mandate from shareholders for the current financial year pursuant to Rule 920.

14. Negative confirmation pursuant to Rule 705(5)

Not applicable.

PART II: ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 15. Segmented revenue and results for operating 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 operates in only one segment, which is the production and supply of concrete and related products. Accordingly, no reporting by operating segment is presented.

- 16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.**

Not applicable.

- 17. A breakdown of sales.**

	Group		Increase / (decrease)	
	FY2015 Rmb'000	FY2014 Rmb'000	Rmb'000	%
Sales reported for first half year	147,535	323,553	(176,018)	(54)
Profit after tax before deducting minority interests reported for first half year	901	3,273	(2,372)	(72)
Sales reported for second half year	100,079	332,674	(232,595)	(70)
(Loss)/Profit after tax before deducting minority interests reported for second half year	(24,779)	10,609	(35,388)	N.M.

Note: N.M. - Not Meaningful

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

	Latest Full Year FY2015 S\$'000	Previous Full Year FY2014 S\$'000
Ordinary	-	-
Preference	-	-
Total	-	-

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer

Pursuant to Rule 704(10) of the Listing Manual Section B: Rules of Catalist of the SGX-ST, persons occupying managerial positions in the Company or any of its principal subsidiaries who are related to a director or chief executive officer or substantial shareholder of the Company are as follows:

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Sun Liping	49	Refer to note below.	Non-executive director of the following subsidiaries: (1) Assetgold Finance Limited (2004); (2) Suzhou Yongsheng Concrete Co., Ltd (2001); (3) Suzhou Yongsheng Chemical Co., Ltd (2001); (4) Wujiang Yongsheng Concrete Co., Ltd (2006); (5) Wuxi Lianyou Concrete Co., Ltd (2006).	With the disposal of SIP Yongsheng, Sun Liping relinquished her position as non-executive director of SIP Yongsheng.
Xu Hong	46	Brother-in-law of Zhao Deming and uncle of Zhao Lei (Refer to note below)	Sales Manager and Assistant to General Manager of a subsidiary, Suzhou Yongsheng Concrete Co., Ltd (2012). He is responsible for sales and customers' relations for Suzhou Yongsheng Concrete Co., Ltd.	Nil
Sun Jianfeng	41	Nephew of Sun Jinnan (Refer to note below)	Sales Manager and Assistant to General Manager of a subsidiary, Wujiang Yongsheng Concrete Co., Ltd (2012). He is responsible for sales and customers' relations for Wujiang Yongsheng Concrete Co., Ltd.	Nil

Note:

Sun Jianming (Executive Chairman of the Company) is the son of Sun Jinnan (Executive Director of the Company). Sun Liping is the daughter of Sun Jinnan. Sun Jianming and Sun Liping are siblings. Zhao Lei (Executive Director of the Company) is the son of Zhao Deming (Chief Executive Officer/Managing Director of the Company). Zhao Deming and Sun Jianfeng are the nephews of Sun Jinnan. Zhao Deming, Sun Liping, Sun Jianming and Sun Jianfeng are cousins.