



CHINA TAISAN TECHNOLOGY GROUP HOLDINGS LIMITED
(Company Registration No: 200711863D)

Unaudited Results for the Fourth Quarter and Full Year ended
31 December 2017

PART I - INFORMATION REQUIRED FOR QUARTERLY ANNOUNCEMENTS

- 1.(a) (i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediate preceding financial year.

Consolidated Statement of Comprehensive Income

	Group			Group		
	4Q17 RMB'000	4Q16 RMB'000	% change +/(-)	FY2017 RMB'000	FY2016 RMB'000	% change +/(-)
Revenue	13,904	51,527	-73%	127,967	207,754	-38%
Cost of sales	(21,337)	(43,645)	-51%	(125,662)	(189,913)	-34%
Gross gain/(loss)	(7,433)	7,882	-194%	2,305	17,841	-87%
Other operating income	52,059	88	59058%	53,180	297	17806%
Distribution costs	(86)	(242)	-64%	(641)	(1,014)	-37%
Administrative expenses	(1,049)	(3,113)	-66%	(7,602)	(10,855)	30%
Other operating expenses	(11,870)	(1,000)	1087%	(11,870)	(133,021)	-91%
Finance costs	(471)	(453)	4%	(1,780)	(1,847)	-4%
Gain/(Loss) before taxation	31,150	3,162	885%	33,592	(128,599)	-126%
Income tax credit	(401)	-	NM	(401)	-	NM
Gain/(Loss) for the period/year attributable to the equity holders of the Company	30,749	3,162	872%	33,191	(128,599)	-126%
Other comprehensive income	-	-	NM	-	-	NM
Total comprehensive income/(loss) for the period/year	30,749	3,162	872%	33,191	(128,599)	-126%
	4Q17	4Q16		FY2017	FY2016	
Loss Per Ordinary Share						
- Basic and diluted (RMB cents)	54.95	23.17		59.31	(230.19)	
- Basic and diluted*(S\$ cents)	11.26	4.82		12.16	(47.88)	

* Based on Bloomberg exchange rate of RMB1: S\$0.2050 (4Q16: RMB1: S\$0.2080) as at end of 31 December 2017 for reference purpose.

Please also refer to paragraph 1(d)(ii) and 6 of this announcement on Earnings Per Share calculation.

- 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 year:-

	Group			Group		
	4Q17	4Q16	% change	FY2017	FY2016	% change
	RMB'000	RMB'000	+ / (-)	RMB'000	RMB'000	+ / (-)
<u>Expenses/(Income):</u>						
Amortisation of land use rights	-	1	-100%	2	2	NM
Reversal of bad debts	(51,970)	-	NM	(51,970)	-	NM
Write off VAT	-	-	NM	-	1,640	-100%
Depreciation of property, plant and equipment	3,073	7,154	-57%	12,337	45,473	-73%
Impairment of inventories	5,650	-	NM	-	-	NM
Impairment of Property, plant and equipment	-	140,000	-100%	-	140,000	-100%
Interest income	(87)	(38)	129%	(204)	(133)	53%
Interest on borrowings	471	453	4%	1,780	1,938	-8%
Loss on disposal of inventories	3,620	1,000	262%	3,620	361	903%
Government grants	-	(51)	100%	(995)	(163)	501%
Impairment of R&D	2,400	-	NM	2,400	-	NM

NM: Not meaningful

1.(b) (i) A statements of financial position (for the issuer and group), together with a comparative statements as at the end of the immediately preceding financial year.

Statement of Financial Position

	Group		Company	
	At 31 December 2017	At 31 December 2015	At 31 December 2016	At 31 December 2015
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
ASSETS				
Non-current assets				
Property, plant and equipment	197,954	150,491	-	-
Intangible assets	95	97	-	-
Investment in subsidiary	-	-	-	-
Other asset	-	2,400	-	-
	198,049	152,988	-	-
Current assets				
Inventories	22,041	31,054	-	-
Trade and other receivables	152,329	149,814	-	-
Amount owing by subsidiary	-	-	654	2,148
Cash and bank balances	4,535	2,063	-	95
	178,905	182,931	654	2,243
Total assets	376,954	335,919	654	2,243
EQUITY AND LIABILITIES				
Capital and reserves attributable to equity holders of the company				
Share capital	562,103	562,103	562,103	562,103
Treasury Shares	-4,709	-4,709	-4,709	-4,709
Merger reserve	11,491	11,491	-	-
Statutory reserve	97,012	97,012	-	-
Accumulated profits	-373,235	-406,227	-557,895	-556,104
Total equity	292,662	259,670	-501	1,290
Current liabilities				
Trade and other payables	38,030	30,793	1,155	953
Amounts owing to related parties	6,819	5,324	-	-
Interest-bearing liabilities	36,693	36,900	-	-
Provision for taxation	2,750	3,230	-	-
	84,292	76,247	1,155	953
Total equity and liabilities	376,954	335,919	654	2,243

1.(b) (ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:-

(A) the amount repayable in one year or less, or on demand; and whether the amounts are secured or unsecured;

	As at 31 December 2017		As at 31 December 2016	
	Secured	Unsecured	Secured	Unsecured
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
Bank loans	36,693	–	36,900	–
Shareholder's loan	–	6,819	–	5,324
	<u>36,693</u>	<u>6,819</u>	<u>36,900</u>	<u>5,324</u>

(B) the amount repayable after one year; whether the amounts are secured or unsecured; and

None.

(C) details of any collateral.

	As at 31 December 2017 <u>RMB'000</u>	As at 31 December 2016 <u>RMB'000</u>
Secured by legal mortgage over leasehold property and land use rights	13,000	13,000
Guaranteed by other company	23,693	23,900
	<u>36,693</u>	<u>36,900</u>

Note:

- 1) The above bank loans as at 31 December 2017 and 31 December 2016 are also pledged by personal guarantee provided by a director.

1.(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.
Consolidated Statement of Cash Flows

	Group		Group	
	4Q17	4Q16	FY2017	FY2016
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
Operating activities				
(Loss)/Profit before taxation	31,150	3,162	33,592	(138,599)
Adjustments for:				
Amortisations of land use right and other assets	–	1	2	2
Allowance for bad debts	–	–	–	–
Write off of VAT	–	–	–	1,640
Bad debts reversal	(59,570)	–	(59,570)	–
Depreciation of property, plant and equipment	3,073	7,154	12,337	42,573
Impairment of inventory	5,650	–	5,650	–
Impairment of other assets	2,400	–	2,400	–
Impairment of property, plant and equipment	–	–	–	140,000
Interest income	(87)	(38)	(204)	(133)
Interest expense	471	453	1,780	1,938
Operating cash flows before movements in working capital	(9,313)	10,732	3,587	47,421
Inventories	19,612	12,111	3,363	20,737
Trade and other receivables	85,493	(41,511)	49,453	48,907
Trade and other payables	(50,231)	10,737	6,740	(131,265)
Cash used in operations	45,561	(7,931)	63,143	(14,200)
Interest received	87	38	204	133
Income tax and VAT paid	(384)	498	(384)	498
Cash flows generated used in operating activities	45,264	(7,395)	62,963	(13,569)
Cash flows from investing activities				
Purchase of property, plant and equipment	(60,000)	–	(60,000)	–
Net cash used in investing activities	(60,000)	–	(60,000)	–
Financing activities				
Repayment of bank loans	(11,107)	–	36,900	(27,900)
Proceeds of bank loans	10,900	–	(37,107)	36,900
Receipt of amount owing to a related party	–	(2,025)	1,495	(276)
Interest paid	(472)	(453)	(1,780)	(1,938)
Net cash generated (used in)/received from financing activities	(679)	(2,478)	(492)	6,786
Net decrease in cash and cash equivalents	(15,415)	(9,873)	2,471	(6,783)
Cash and cash equivalents at the beginning of the financial period/year	19,950	11,936	2,063	8,846
Cash and cash equivalents at the end of the financial period/year	4,535	2,063	4,534	2,063

- 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.

Consolidated Statement of Changes in Shareholders' Equity

Group	Share Capital RMB'000	Treasury Shares RMB'000	Merger Reserve RMB'000	Statutory Reserve RMB'000	Accumulated Profits RMB'000	Total Equity RMB'000
At 1 January 2016	562,103	(4,709)	11,491	97,012	91,800	757,697
Total comprehensive income for the year	–	–	–	–	(128,599)	(128,599)
At 31 December 2016	562,103	(4,709)	11,491	97,012	(406,426)	259,471
At 1 January 2017	562,103	(4,709)	11,491	97,012	(406,426)	259,471
Total comprehensive loss for the year	–	–	–	–	33,191	33,191
At 31 December 2017	562,103	(4,709)	11,491	97,012	(373,235)	292,662

Statement of Changes in Shareholders' Equity

Company	Share Capital RMB'000	Treasury Shares RMB'000	Accumulated Profits RMB'000	Total Equity RMB'000
At 1 January 2016	562,103	(4,709)	164	557,558
Total comprehensive loss for the year	–	–	(391,489)	(391,489)
At 31 December 2016	562,103	(4,709)	(556,104)	1,290
At 1 January 2017	562,103	(4,709)	(556,104)	1,290
Total comprehensive loss for the year	–	–	(1,791)	(1,791)
At 31 December 2017	562,103	(4,709)	(557,895)	(501)

- 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 held as treasury shares, if any, against the total number of shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no changes in the Company's share capital since the end of the previous period reported on and there were no outstanding convertibles held as at 31 December 2017 and 31 December 2016 respectively.

The Company held 375,000 and 375,000 treasury shares as at 31 December 2017 and 31 December 2016 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.

	<u>Group</u>	
	As at 31 December 2017	As at 31 December 2016
Number of ordinary shares in issue	56,329,677	56,329,677
Less: Ordinary shares kept as treasury shares	(375,000)	(375,000)
Number of ordinary shares excluding treasury shares	55,954,677	55,954,677

- 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.

There is no sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period report on.

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

The financial information for the fourth quarter and full year ended 31 December 2017 have neither been audited nor reviewed by the Company's auditors.

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

This announcement were not been audited or reviewed by auditor.

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 has adopted all the Singapore Financial Reporting Standards ("FRS") that are applicable for financial year beginning on or after 1 January 2017. The application of these FRS has no material impact on the financial statements of the Group and the Company.

The accounting policies and methods of computation are consistent with the latest audited financial statements for the year ended 31 December 2016.

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.

Not applicable.

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: -

- (a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).

	<u>Group</u>		<u>Group</u>	
	<u>4Q17</u>	<u>4Q16</u>	<u>FY2017</u>	<u>FY2016</u>
	<u>RMB Cents</u>	<u>RMB Cents</u>	<u>RMB Cents</u>	<u>RMB Cents</u>
Earnings per share ("EPS")				
Based on the weighted average number of ordinary shares in issue	54.94	5.65	59.31	(247.70)
Number of shares				
Weighted average number of issued ordinary shares	55,954,677	55,954,677	55,954,677	55,954,677

No dilutive EPS has been presented as there are no dilutive instruments in issue.

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

	<u>Group</u>		<u>Company</u>	
	<u>As at</u>	<u>As at</u>	<u>As at</u>	<u>As at</u>
	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	<u>RMB Cents</u>	<u>RMB Cents</u>	<u>RMB Cents</u>	<u>RMB Cents</u>
Net asset value per ordinary share	523.03	446.2	(0.9)	2.31
Number of issued ordinary shares excluding treasury shares as at end of the year	55,954,677	55,954,677	55,954,677	55,954,677

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 period reported on.

Revenue

The Group's revenue for the fourth quarter ended 31 December 2017 ("4Q17") decreased by 73% to RMB13.9 million as compared to RMB51.5 million for the fourth quarter ended 31 December 2016 ("4Q16"). For the full year ended 31 December 2017 ("FY2017"), the Group recorded revenue of about RMB128 million, decreased by 38% from the RMB208 million in FY2016.

The decrease in revenue for 4Q17 versus 4Q16 by 73% is mainly attributed to the reduction in production of performance fabric, in compliance with the directive of the Fujian government for textile factories to reduce their production of performance fabric in 4Q17 as part of the government's environmental initiative. The Fujian government's directive has been in force since beginning of July 2017 and the company has consequently reduced its production level. It is envisaged that the current production level will remain until further instruction from the relative department of the Fujian Government.

For detail information, please refer the link: http://cn.chinadaily.com.cn/2017-07/31/content_30302788.htm.

The weighted average selling price has decreased is mainly due to the decrease in the selling price of performance fabric in 4Q17 compared with 4Q16.

Overall, the decrease in revenue is mainly from the decrease in the sale of performance fabrics in FY2017 by 94% from 377 tonnes in FY2016 to 20 tonnes in FY2017.

A breakdown of the Group's revenue by products:

	<u>Revenue</u>					
	<u>4Q17</u>	<u>4Q16</u>	<u>% change</u>	<u>FY2017</u>	<u>FY2016</u>	<u>% change</u>
	<u>RMB'000</u>	<u>RMB'000</u>	<u>+ / (-)</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>+ / (-)</u>
Manufacturing and sale of performance fabrics	1,365	27,078	-95%	57,489	99,808	-42%
Fabric processing services	12,539	24,449	-49%	70,478	107,946	-35%
Total	13,904	51,527	-73%	127,967	207,754	-38%

A breakdown of the Group's sales quantity by products:

	<u>Sales Quantity</u>					
	<u>4Q17</u>	<u>4Q16</u>	<u>% change</u>	<u>FY2017</u>	<u>FY2016</u>	<u>% change</u>
	<u>Tonnes</u>	<u>Tonnes</u>	<u>+ / (-)</u>	<u>Tonnes</u>	<u>Tonnes</u>	<u>+ / (-)</u>
Manufacturing and sale of performance fabrics	20	337	-94%	750	1,224	-39%
Fabric processing services	1,599	3,383	53%	9,645	12,651	-24%
Total	1,619	3,720	-56%	10,395	13,875	-25%

Average selling price per tonne ("ASP") by products:

	<u>Average Selling Price</u>					
	<u>4Q17</u>	<u>4Q16</u>	<u>% change</u>	<u>FY2017</u>	<u>FY2016</u>	<u>% change</u>
	<u>RMB'000</u>	<u>RMB'000</u>	<u>+ / (-)</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>+ / (-)</u>
Manufacturing and sale of performance fabrics	66.9	80.4	-17%	76.6	81.5	-6%
Fabric processing services	7.8	7.2	9%	7.3	8.5	-14%
Weighted average ASP	8.6	13.9	-38%	12.3	14.9	-17%

Cost of Sales

Despite the increase in sale in 4Q17 compared to 4Q16, the cost of sale for 4Q17 has fallen by 51.1% compared to 4Q16 as a result of the reduction in production of performance fabric in 4Q17.

The Group's cost of sales comprises mainly direct material cost, direct labor cost and production cost, which represent 52.6%, 15.9% and 31.4% respectively in 4Q17 (4Q16: 64.9%, 9.5% and 25.6% respectively). The Group's production cost takes into account, inter alia, depreciation of the production machine and cost of oil, petrol, electricity, water and coal etc. which were utilised by the Group.

Other Operating Income

Other operating income increased by RMB51.9 million from RMB88,000 in 4Q16 to RMB52,1 million in 4Q17 due to reversal of overprovision of bad debt amounting to RMB51.9 million in 4Q16.

The detail of recovered amount with customer

	Current	Provision	Recovered
[024] 泉州市富丽华轻纺贸易有限公司	4,630,774.70	(19,487,803.38)	(14,857,028.68)
[039] 泉州宏宇轻纺有限公司	2,714,327.42	(21,837,072.98)	(19,122,745.56)
[045] 泉州天弘轻纺有限公司	5,359,360.50	(20,220,522.58)	(14,861,162.08)
[193] 泉州穗兴纺织有限公司	6,226,186.14	(8,701,373.97)	(2,475,187.83)
[282] 佛山市和丰盛纺织品有限公司	-	(383,826.83)	(383,826.83)
[870] 中山市秀伟纺织品有限公司	-	(270,386.36)	(270,386.36)
	18,930,648.76	(70,900,986.10)	(51,970,337.34)

Administrative Expenses

Administrative expenses decreased by 66% from RMB3.1 million in 4Q16 to RMB1.1 million in 4Q17. The decrease is mainly due to staff cost decreased in 4Q2017.

Other Operating Expenses

Other operating expenses increased by RMB10.8 million from RMB1.0 million in 4Q16 to RMB11.8 million in 4Q17. The increase is mainly due to impairment of other assets amounting to RMB2.4 million and impairment of inventories amounting to RMB5.7 million and loss on disposal of raw material RMB 3.7million.

Income Tax Expense

As the Group made a gain during the period there is RMB401,000 tax paid incurred in 4Q17 and FY2017.

Loss attributable to shareholders

As a result of gain incurred by the Group, there is a profit attribution to shareholders by RMB40.8 million during FY2017.

Consolidated Statement of Financial Position

The property, plant and equipment increased by 31.7% from RMB150.3 million as at 31 December 2016 to RMB197.9 million as at 31 December 2017 due to depreciation charge of RMB12.3 million and additional purchase property, plant and equipment RMB 60.0 million during FY2017.

Inventories as at 31 December 2017 were approximately RMB31.1 million, representing a increase of RMB9.0 million from RMB22.1 million as at 31 December 2017.

Trade and other receivables increased by 1.7% from RMB149.8 million as at 31 December 2016 to RMB152.3 million as at 31 December 2017. The increase of trade receivable is mainly due to deposit of purchase of property, plant and equipment around RMB75 million in FY2017 and collection of RMB 72.9 million in FY2017.

Trade and other payables increased by RMB7.6 million from RMB31.3 million as at 31 December 2016 to RMB38.0 million as at 31 December 2017. The increase is mainly due to payment of trade payable by RMB131.3 million in FY2017. The increase is mainly due to purchase of raw material - yarn in FY2017.

The provision as at 31 December 2017 mainly represents the withholding tax for the dividend paid to the holding company in FY2008 to FY2010.

Consolidated Statement of Cash Flows

During FY2017, cash and bank balances increased by RMB 2.5 million to RMB4.5 million as at 31 December 2017 from RMB2.1 million as at 31 December 2016. The Group's cash outflows were mainly due to operating activities as a result of collection of bad debt in FY2017 by RMB 59.7 million.

The Group recorded a cash outflow from operating activities of RMB62.9 million in FY2017, That is mainly due to the collection in bad debt of trade receivable in FY2017 amounting to RMB 59.7 million.

Group paid RMB 60 million for purchase of property, plant and equipment, which mainly for upgrading of water recycle system and air purification system.

The Group experienced a net cash outflow of RMB490,000 from financing activities in FY2017 mainly due to repayment of bank loans.

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 from paragraph 10 of the previous announcement on unaudited results for the third quarter ended 30 September 2017.

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.

For FY2017, the Group's operating environment remained challenging as sales of performance products were affected by the entry of international fashion brands into the China apparel market. Consequently, the Company has decided to focus on fabric processing services as this provided high profit margin.

Notwithstanding the challenges faced, the Group would continue to develop its range of products so as to further differentiate them from its competitors.

11. Dividend

Current Financial Period Reported On - Any dividend declared for the current financial period reported on?

No dividend has been declared for the current financial period.

Corresponding Period of the Immediately Preceding Financial Year – Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

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

No dividend has been declared or recommended for the year ended 31 December 2017.

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

No general mandate obtained from shareholder for IPTs.

14. Confirmation Pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

15. Confirmation pursuant to Rule 705(5) of the SGX Listing Manual

Not applicable.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

The Group is essentially a single operating segment by itself under FRS 108 Operating Segments, and no separate segment information is presented. As there is only one single operating segment, information on the reconciliation of the reportable segment as required under FRS 108 does not apply.

The entity-wide disclosures applicable to a single operating segment are as follows:

- all the revenue of the Group are from external customers who are domiciled in the PRC.
- the majority of the assets of the Group are employed in PRC.
- segment assets employed by the Group in a country other than the PRC as at 31 December 2017 was approximately Nil (FY2016: RMB73,000). There are no non-current assets deployed outside of the PRC.
- Revenue from 5 (2016: 6) external customers approximately RMB 59,985,000 (2016: RMB 88,883,000) accounted for approximately 47% (2016: 43%) of the Group's revenue for the financial year.

- 17. 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 paragraph 8 above.

- 18. A breakdown of sales.**

	2017	2016	increase/ (decrease)
	<u>RMB'000</u>	<u>RMB'000</u>	%
(a) Sales reported for first half year	87,927	125,231	-30%
(b) Operating profit after tax before deducting minority interests reported for first half year	12,020	2,170	454%
(c) Sales reported for second half year	40,040	82,523	-51%
(d) Operating profit after tax before deducting minority interests reported for second half year	21,571	(140,769)	-115%

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

	<u>FY2017</u>	<u>FY2016</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Ordinary shares	-	-
Preference shares	-	-
Total	<u>-</u>	<u>-</u>

No dividend has been declared or recommended for the year ended 31 December 2017.

The Company has no preference share in issue.

20. Summary of interested person transactions for the financial year ended 31 December 2017.

The aggregate value of interested person transactions for the year ended 31 December 2017 is as follows:

Name of interested person and nature of transactions	Aggregate value of all interested person transaction during the financial year under review (excluding transactions less than S\$100,000)
Corporate guarantee provided by Jinjiang Suisheng Spinning Industrial Co., Ltd in favour of China Construction Bank, Jinjiang Sub-Branch to secure bank loans provided to subsidiary, Jinjiang Lianjie Textile & Printing Dyeing Industrial Co., Ltd	Nil ¹

¹ The value of the amount at risk to the Company is nil as the corporate guarantee provided by Jinjiang Suisheng Spinning Industrial Co., Ltd is free of charge and the value of the bank loans guaranteed by this corporate guarantee is RMB 14.9 million.

The Company has no general mandate pursuant to Rule 920 of the Listing Manual.

21. 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(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any during the year
Mr Chen Jiaji	60	Cousin of Choi Cheung Kong, Director and Substantial Shareholder of the Company	Mr Chen is our Procurement manager and has been with our Group since the establishment in 1996. He is responsible for sourcing and procuring the raw materials used in the Group's production process. Mr Chen is appointed as our executive director on 17 August 2011. He also performs his duties as the vice general manager of the subsidiary and assists our CEO and Mr. Cai Binghuang in the daily operation	N.A.
Mr Cai Bing Huang	55	Cousin of Choi Cheung Kong, Director and Substantial Shareholder of the Company	Mr Cai is our General Manager since August 2010. He primarily oversees the operations of human resources, administration and purchasing departments. He also assists our CEO in the day-to-day running of Jinjiang Lianjie Textile & Printing Dyeing Industrial Co., Ltd.	N.A.

Mr Cai Jin Ding	45	Brother of Mr Choi Cheung Kong, Director and Substantial Shareholder of the Company	Appointed as our Sales & Marketing Manager and has been with our Group since the establishment of Jinjiang Lianjie Textile & Printing Dyeing Industrial Co., Ltd in 1996. He is responsible for developing sales and marketing strategies, recommending products to existing customers, maintaining customer relationships and providing our customers with after sales services, securing new customers and monitoring and analysing market and industry trend.	N.A.
Mr Cai Chang Jing	54	Brother of Mr Choi Cheung Kong, Director and Substantial Shareholder of the Company	Appointed as the Consultant of Jinjiang Lianjie Textile & Printing Dyeing Industrial Co., Ltd in 2008.	N.A.
Mr Cai Jin Sheng	51	Brother of Mr Choi Cheung Kong, Director and Substantial Shareholder of the Company	Appointed as the Human Resources Manager of Jinjiang Lianjie Textile & Printing Dyeing Industrial Co., Ltd in 2008.	N.A.
Mr Cai Chang Shi	48	Brother of Mr Choi Cheung Kong, Director and Substantial Shareholder of the Company	Appointed as the Public Relationship Manager of Jinjiang Lianjie Textile & Printing Dyeing Industrial Co., Ltd in 2008.	N.A.

By order of the Board

Choi Cheung Kong
 Executive Director
 1 March 2018