

CHANGJIANG FERTILIZER HOLDINGS LIMITED



(Incorporated in Singapore on 30 July 2007)
(Registration Number: 200713878D)

UNAUDITED FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FOURTH QUARTER AND THE FULL YEAR ENDED 31 DECEMBER 2016

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY, HALF-YEAR AND FULL YEAR RESULTS

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

	Note	4 th quarter ended		Increase / (Decrease)	For the year ended		Increase / (Decrease)
		31/12/2016	31/12/2015		31/12/2016	31/12/2015	
		RMB ' 000 Unaudited	RMB ' 000 Unaudited	%	RMB ' 000 Unaudited	RMB ' 000 Audited	%
Continuing operations							
Revenue	1	-	-	-	-	-	-
Cost of sales		-	-	-	-	-	-
Gross profit		-	-	-	-	-	-
Selling and distribution expenses		-	-	-	-	-	-
General and administrative expenses		(2,392)	(206)	N.M.	(5,216)	(4,051)	28.8
Loss before income tax	3	(2,392)	(206)	N.M.	(5,216)	(4,051)	28.8
Income tax expense		-	-	-	-	-	-
Net loss from continuing operations		(2,392)	(206)	N.M.	(5,216)	(4,051)	28.8
Net loss from discontinued operations⁽¹⁾		-	(5,064)	N.M.	(13,680)	(52,569)	74.0
Total loss		(2,392)	(5,270)	54.6	(18,896)	(56,620)	66.6
Other comprehensive income:							
Items that may be classified subsequently to profit or loss:							
Currency translation differences arising from consolidation		340	(961)	N.M.	(640)	19	N.M.
Other comprehensive income, net of tax		340	(961)	N.M.	(640)	19	N.M.
Total comprehensive loss attributable to equity holders of the Company		(2,052))	(6,231)	67.1	(19,356)	(56,601)	65.8
Loss per share for loss from continuing and discontinued operations attributable to equity holders of the Company (RMB cents per share)				.			.
- Basic and diluted loss per share							
From continuing operations		0.66	0.06		(1.45)	(1.13)	N.M.
From discontinued operations		-	1.41		(3.80)	(14.61)	N.M.
		0.66	1.47		(5.25)	(15.74)	N.M.
N.M. - not meaningful							

Note:

- 1 Operations in Miluo, Xiangyin and Hanshou plants remain halted for the financial year ended 31 December 2016. The Miluo and Xiangyin plants have received notifications from the government to cease their operations in the existing factories which are located in urban areas of the cities for the purposes of the re-development of these cities. As part of the Company's proposed restructuring plans, management has plans to dispose of the three subsidiaries over the next twelve months. The financial results of the subsidiaries of these 3 plants were classified under "Discontinued operations".

Under FRS105, Non-current Assets Held for Sale and Discontinued Operations, a discontinued operation is a component of an entity that either has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area. Management has assessed and is satisfied that the cessation of business at the PRC plants has met the criteria under FRS 105.

Hence, the financial statements for the financial year ended 31 December 2016 and 31 December 2015 are prepared in accordance with presentation and disclosure prescribed under FRS 105.

(a)(ii) Notes to the income statements

The breakdown of the Group's income statement under continuing and discontinued operations are shown as follows:

	4 th quarter ended 31/12/2016			4 th quarter ended 31/12/2015			
(In RMB'000)	Continuing operations	Discontinued operations	Total Group	Continuing operations	Discontinued operations	Total Group	% Increase/ (Decrease)
Revenue	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
Selling & distribution expenses	-	-	-	-	(45)	(45)	-
General & administrative expenses	(2,392)	-	(2,392)	(206)	(5,019)	(5,225)	(54.22)
Loss before income tax	(2,392)	-	(2,392)	(206)	(5,064)	(5,270)	(54.61)
Income tax	-	-	-	-	-	-	-
Net loss	(2,392)	-	(2,392)	(206)	(5,064)	(5,270)	(54.61)

	For the year ended 31/12/2016			For the year ended 31/12/2015			
(In RMB'000)	Continuing operations	Discontinued operations	Total Group	Continuing operations	Discontinued operations	Total Group	% Increase/ (Decrease)
Revenue	-	-	-	-	-	-	-
Cost of sales	-	-	-	-	-	-	-
Gross loss	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-
Selling & distribution expenses	-	-	-	-	-	-	-
General & administrative expenses	(5,216)	(13,680)	(18,896)	(4,051)	(52,569)	(56,620)	(75.46)
Loss before income tax	(5,216)	(13,680)	(18,896)	(4,051)	(52,569)	(56,620)	(75.46)
Income tax	-	-	-	-	-	-	-
Net loss	(5,216)	(13,680)	(18,896)	(4,051)	(52,569)	(56,620)	(75.46)

(1) Revenue

There was no revenue generated for the fourth quarter and full year ended 31 December 2016 and 31 December 2015 as the production activities in all of our three plants continued to halt.

(2) Other Income

	4th quarter ended			Full year ended		
	31/12/2016	30/12/2015	Increase /	30/12/2016	30/12/2015	Increase /
	RMB'000	RMB'000	(Decrease)	RMB'000	RMB'000	(Decrease)
	Unaudited	Unaudited	%	Unaudited	Unaudited	%
Others	-	-	-	-	-	-
	-	-	-	-	-	-

(3) Loss before tax

The Group's loss before tax is determined after charging/(crediting) the following:

	4th quarter ended						Increase (Decrease) %
	Continuing operations	Discontinued operations	Total	Total			
	31/12/2016	31/12/2015	31/12/2016	31/12/2015	31/12/2016	31/12/2015	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
Amortisation and depreciation	-	-	-	-	-	-	-
Staff costs	433	499	-	4,545	433	5,044	N.M.

	Full year ended						Increase (Decrease) %
	Continuing operations	Discontinued operations	Total	Total			
	31/12/2016	31/12/2015	31/12/2016	31/12/2015	31/12/2016	31/12/2015	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	
Amortisation and depreciation	-	-	-	-	-	-	-
Allowance for Impairment of property, plant and equipment ⁽⁴⁾	-	-	-	5,255	-	5,255	N.M.
Allowance for impairment of intangible assets	-	-	-	14,120	-	14,120	N.M.
Electricity	-	-	-	170	-	170	N.M.
Staff costs	1,621	2,560	13,680	18,226	15,301	20,786	(26.39)

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

	Group		Company	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Audited	Unaudited	Audited
ASSETS				
Current Assets				
Cash and bank balances	8	7	3	1
Trade and other receivables	-	-	-	-
	8	6	3	1
Assets of disposal group classified as held for sale	28,463	28,463	-	-
	28,471	28,470	3	1
Non-current Assets				
Investment in subsidiaries	-	-	-	-
Property, plant and equipment	-	-	-	-
Intangible assets	-	-	-	-
	-	-	-	-
Total Assets	28,471	28,470	3	1
LIABILITIES				
Current Liabilities				
Other payables	19,856	13,998	19,856	13,998
Current income tax liabilities	-	-	-	-
	19,856	13,998	19,856	13,998
Liabilities of disposal group classified as held for sale	83,132	69,452	-	-
Total liabilities	102,988	83,450	19,856	13,998
NET ASSETS/(LIABILITIES)	(74,517)	(54,980)	(19,853)	(13,997)
EQUITY				
Share capital	216,788	216,788	216,788	216,788
Treasury shares	(108)	(108)	(108)	(108)
Statutory reserves	71,998	71,998	-	-
Restructuring reserve	(102,828)	(102,828)	-	-
Currency translation reserve	(241)	399	24	664
Accumulated losses	(260,126)	(241,229)	(236,557)	(231,341)
TOTAL EQUITY	(74,517)	(54,980)	(19,853)	(13,997)

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

Amount repayable in one year or less, or on demand

As at 31 December 2016 (RMB'000)		As at 31 December 2015 (RMB'000)	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

The Group does not have any bank borrowings as at 31 December 2016 and 31 December 2015.

Details of any collateral

Nil.

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

	4th quarter ended		For the year ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Unaudited	Unaudited	Audited
Cash flows from operating activities				
Net loss	(2,392)	(5,270)	(18,896)	(56,620)
Adjustments for:				
Loss on the re-measurement of assets classified as held-for-sale to fair value less cost to sell	-	-	-	10,900
Allowance for Impairment of property, plant and equipment	-	-	-	5,255
Allowance for impairment of intangible asset	-	-	-	14,120
Unrealised currency translation losses	340	(961)	(641)	19
Interest income	-	-	-	-
	(2,052)	(6,231)	(19,537)	(26,326)
Changes in working capital				
Trade and other receivables	-	75	-	187
Other payables	2,052	6,156	19,539	26,060
Cash used in operations	-	-	2	(79)
Interest received	-	-	-	-
Net cash provided (used) by operating activities	-	-	2	(79)
Net increase (decrease) in cash and bank balances	-	-	2	(79)
Cash and bank balances at beginning of financial period/year	-	1	6	85
Effect of currency translation on cash and bank balances	-	-	-	-
Cash and bank balances at end of financial period/year	-	1	8	6

Note A:

Cash at bank and on hand	-	1	3	1
Cash at bank reclassified to Disposal Group	-	-	5	5
Cash and cash equivalent	-	1	8	6

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.

Group	Share Capital RMB'000	Treasury Shares RMB'000	Statutory Reserves RMB'000	Restructuring Reserve RMB'000	Currency Translation reserve RMB'000	Accumulated profits / (losses) RMB'000	Total Equity RMB'000
2016							
As at 1 January 2016	216,788	(108)	71,998	(102,828)	399	(241,229)	(54,980)
Total comprehensive loss for the period	-	-	-	-	(594)	(5,091)	(5,685)
As at 31 March 2016	216,788	(108)	71,998	(102,828)	(195)	(246,320)	(60,665)
Total comprehensive loss for the period	-	-	-	-	(475)	(5,642)	(6,117)
As at 30 June 2016	216,788	(108)	71,998	(102,828)	(670)	(251,962)	(66,782)
Total comprehensive loss for the period	-	-	-	-	89	(5,773)	(5,684)
As at 30 September 2016	216,788	(108)	71,998	(102,828)	(581)	(251,962)	(72,466)
Total comprehensive loss for the period	-	-	-	-	340	(2,391))	(2,051)
As at 31 December 2016	<u>216,788</u>	<u>(108)</u>	<u>71,998</u>	<u>(102,828)</u>	<u>(241)</u>	<u>(260,126))</u>	<u>(74,517)</u>
Group							
2015							
As at 1 January 2015	216,788	(108)	71,998	(102,828)	380	(184,609)	1,621
Total comprehensive loss for the period	-	-	-	-	912	(39,083)	(38,171)
As at 31 March 2015	216,788	(108)	71,998	(102,828)	1,292	(223,692)	(36,550)
Total comprehensive loss for the period	-	-	-	-	(287)	(5,909)	(6,196)
As at 30 June 2015	216,788	(108)	71,998	(102,828)	1,005	(229,601)	(42,746)
Total comprehensive loss for the period	-	-	-	-	355	(6,358)	(6,003)
As at 30 September 2015	216,788	(108)	71,998	(102,828)	1,360	(235,959)	(48,749)
Total comprehensive loss for the period	-	-	-	-	(961)	(5,270)	(6,231)
As at 31 December 2015	<u>216,788</u>	<u>(108)</u>	<u>71,998</u>	<u>(102,828)</u>	<u>399</u>	<u>(241,229)</u>	<u>(54,980)</u>

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.

	Share Capital RMB'000	Treasury Shares RMB'000	Currency Translation Reserve RMB'000	Accumulated Losses RMB'000	Total Equity RMB'000
Company					
2016					
As at 1 January 2016	216,788	(108)	664	(231,341)	(13,997)
Total comprehensive loss for the period	-	-	(594)	(572)	(1,166)
As at 31 March 2016	216,788	(108)	70	(231,913)	(15,163)
Total comprehensive loss for the period	-	-	(475)	(1,077)	(1,552)
As at 30 June 2016	216,78	(108)	(405)	(232,990)	(16,715)
Total comprehensive loss for the period	-	-	89	(1,176)	(1,087)
As at 30 September 2016	216,788	(108)	(316)	(234,166)	(17,802)
Total comprehensive loss for the period	-	-	340	(2,391)	(2,051)
As at 31 December 2016	216,788	(108)	24	(236,557)	(19,853)
Company					
2015					
As at 1 January 2015	216,788	(108)	645	(224,457)	(7,132)
Total comprehensive loss for the period	-	-	912	(4,356)	(3,444)
As at 31 March 2015	216,788	(108)	1,557	(228,813)	(10,576)
Total comprehensive loss for the period	-	-	(286)	(1,056)	(1,342)
As at 30 June 2015	216,78	(108)	1,271	(229,869)	(11,918)
Total comprehensive loss for the period	-	-	355	(1,266)	(911)
As at 30 September 2015	216,788	(108)	1,626	(231,135)	(12,829)
Total comprehensive loss for the period	-	-	(962)	(206)	(1,168)
As at 31 December 2015	216,788	(108)	664	(231,341)	(13,997)

- 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.**

	Number of Shares	Issued and paid-up share capital S\$
Total issued share capital as at 31 March 2010	360,000,000	44,371,772
Treasury shares arising from share buyback in 2Q2010	(100,000)	(22,500)
Total issued share capital excluding treasury shares as at 31 December 2016 and 31 December 2015	359,900,000	44,349,272

Save as disclosed above, the Company has no outstanding convertibles 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.

- 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 December 2016	As at 31 December 2015
Total number of issued shares excluding treasury shares	359,900,000	359,900,000

- 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 reported on.**

There are no sales, transfers, disposal, cancellation and/or use of treasury shares as at end of 31 December 2016.

- 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.

- 3. Where the figures have been audited or reviewed, the auditors' 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.

The Group had consistently applied the same accounting policies and methods of computation in the Group's financial statement for the current financial period as those applied for the most recently audited consolidated financial statements for the financial 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.

Not applicable.

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.

	4th quarter ended		For the year ended	
	31/12/2016	31/12/2015	31/12/2016	31/12/2015
	Unaudited	Unaudited	Unaudited	Audited
Net loss attributable to equity holders of the Company (RMB'000)				
-continuing operations	(2,392)	(206)	(5,216)	(4,051)
-discontinued operations	Nil	(5,064)	(13,680)	(52,569)
		(5,270)	(18,896)	(56,620)
Loss per share for				
– Basic (RMB cents) and on a fully dilutive basis ⁽¹⁾				
-continuing operations	(0.66)	(0.06)	(1.45)	(1.13)
-discontinued operations	Nil	(1.41)	(3.80)	(14.61)
	(0.66)	(1.47)	(5.25)	(15.74)

Note:

- (1) Loss per share of the Group for the year ended 31 December 2016 is calculated by dividing the Group's net loss attributable to shareholders of approximately RMB18,896,000 (FY2015: 56,620,000) by the weighted average number of ordinary shares outstanding during the year of 359,900,000 (FY2015: 359,900,000).

For the year ended 31 December 2016 and 2015, the basic and diluted loss per share of the Group were the same as there were no potential dilutive ordinary shares outstanding as at 31 December 2016 and 2015.

7. **Net asset 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 year.**

Net asset value (“NAV”)

	Group		Company	
	31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
NAV per ordinary share (⁽¹⁾) (RMB cents)	(20.71)	(15.28)	(5.52)	(3.89)

Note:

- (1) NAV per ordinary share as at 31 December 2016 and 31 December 2015 was calculated based on the number of ordinary shares excluding treasury shares as at the end of the financial year. As at 31 December 2016, the number of ordinary shares (excluding treasury shares) was 359,900,000. (As at 31/12/2015: 359,900,000).

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:-**
- 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
- 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 income statement of the Group for the financial year ended 31 December 2016 (“FY2016”) as compared to the financial year ended 31 December 2015 (“FY2015”)

Revenue

The Group had been inactive since April 2013, as such there was no production activity and no revenue generated in all of our three PRC plants for FY2016.

Cost of sales, gross profit

As explained above, there were no production activities in all of our three PRC plants during FY2016. As such, there were no cost of sales and the associated gross profit.

Other income

There was no other income, as the Group had been dormant during FY2015 and FY2016.

Selling and distribution expenses

There were no selling and distribution expenses as there was no activity during FY2015 and FY2016.

General and administrative expenses

For FY2016 as compared to FY2015 and 4Q2016 as compared to 4Q2015, our general and administrative expenses decreased by RMB37.72 million and RMB2.88 million respectively. This was mainly due to the various impairments made in FY2015 and non-provision for China salaries in 4Q2016. Further details are furnished in the table on the next page.

(In RMB' 000)	FY2016	FY2015	(Decrease)
Allowance for impairment of property, plant and equipment	-	5,255	5,255
Staff costs	15,301	18,226	2,925
Allowance for impairment of intangible assets	-	14,120	14,120
Loss on the re-measurement of assets classified as held-for-sale to fair value less cost to sell	-	10,900	10,900
Total	15,301	48,501	33,200

Loss before income tax

Our loss before income tax decreased by RMB37.72 million or 66.63% for FY2016 as compared to FY2015. Our loss before income tax decreased by RMB2.88 million or 54.61% for 4Q2016 as compared to 4Q2015. The decreases were due mainly to the lower general and administrative expenses as explained above.

Income tax expense

No income tax expense was recorded for FY2016 and FY2015 as there were no revenue generating activities.

Review of financial position of the Group as at 31 December 2016

Current assets

As at 31 December 2016, our total current assets consisted mainly of "Assets held for sale". Assets held for sale arise from the reclassification of property, plant and equipment and intangible assets consisting of land use rights held by the Group in Miluo, Xiangyin and Hanshou plants on 31 December 2015. There was no change in "Assets held for sale" from as at 31 December 2016 as compared to 31 December 2015.

The Miluo and Xiangyin plants have received notifications from the government to cease their operations in the existing factories which are located in urban areas of the respective cities for the purposes of the re-development of these cities. Production remains halted in the 3 plants and the management has plans to dispose of the 3 PRC plants in the coming months. As such, the property, plant and equipment and intangible assets of the 3 plants were classified to "Assets held for sale" under current assets.

Non-current assets

There were no non-current assets as at 31 December 2016 and 31 December 2015.

Current liabilities

Our current liabilities comprised other payables and income tax payable. As at 31 December 2016, total current liabilities were RMB103.0 million. The increase in current liabilities of RMB19.54 million or 23.41% from RMB83.45 million as at 31 December 2015 was due to the increase in other payables arising mainly from the accrual of staff related costs for the Group and professional expenses for the company.

Total shareholders' equity

Total shareholders' equity as at 31 December 2016 amounted to an approximate deficit of RMB74.52 million and comprised mainly share capital of RMB216.79 million and statutory reserve of RMB72.0 million and currency translation reserve of RMB0.24 million, offset by restructuring reserve of RMB102.83 million and accumulated losses of RMB260.13 million.

Review of cash flow statement for FY2016

For FY2016, the Group had a net cash outflow of RMB2,000 due to net cash used in operating activities.

For 4Q2016, the Group has nil cash outflow from operating activities.

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.

With effect from 14 April 2015, the Company has been classified as a cash company pursuant to Rule 1018 of the listing manual of the SGX-ST and the securities of the Company is suspended until the Company has a business which is able to satisfy the SGX-ST's requirements for a new listing.

To meet the SGX-ST's requirements, the Company is currently considering various options and is actively pursuing the acquisition of new operating businesses and assets with proven track record and/or good growth potential.

The Company will make further announcements to update shareholders as and when appropriate.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the fourth quarter ended 31 December 2016.

13. Interested person transactions

There were no interested person transactions entered for the year ended 31 December 2016 and for the year ended 31 December 2015. The Group is not required to have a general mandate from shareholders for IPTs under Rule 920(1)(a)(ii).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

15. 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.

For the year ended 31 December 2016, the Group's three PRC plants' assets and liabilities were classified to "Assets held for sale" and "Liabilities of disposal group classified as held for sale". There were no production activities in all of our 3 PRC plants for FY2016 and hence no sales revenue was generated in FY2016. As such, management was of the view that it was not meaningful to present segmented revenue and results for both the business and geographical segments. Management also considered it not meaningful to segment operating assets according to the business segments as all the assets were classified to "Assets held for sale".

16. 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 note 8 for factors leading to material changes in turnover and earnings by business segments.

17. A breakdown of sales

	Group		
	FY2016	FY2015	Increase/ (decrease)
	RMB'000	RMB'000	%
(a) Sales reported for first half year	-	-	-
(b) Operating loss after tax before deducting minority interests reported for first half year	(10,733)	(44,992)	(76.14)
(c) Sales reported for second half year	-	-	-
(d) Operating loss after tax before deducting minority interests reported for second half year	(8,163)	(11,628)	(29.80)

18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) 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	Details of changes in duties and position held, if any, during the year
Peng Liang	51	The brother-in-law of Zhu Xue Cheng	He is our Head of Operations. He joined our Group in 2002, where he was mainly in charge of procurement of machinery and facility parts.	Not applicable

BY ORDER OF THE BOARD

Ng Joo Khin
Company Secretary
22 February 2017