

The presentation of the financial statements of the Group have been changed from Singapore dollars (“S\$”) to Chinese Renminbi (“RMB”). Please refer to in paragraph 5 of this announcement (the “Change in Presentation Currency”) for details. Accordingly, the comparatives have also been restated and presented in RMB.

PART 1

Information required for announcements of quarterly (Q1, Q2, Q3), Half Year and Full Year Announcements

1(a)(i) An income statement and statement of comprehensive income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year

	Group		Change %
	1Q2017 RMB'000	1Q2016 RMB'000	
Continuing Operations			
Revenue	187,841	206,644	(9.1)
Cost of sales	(161,089)	(181,852)	(11.4)
Gross profit	26,752	24,792	7.9
Other income			
- Project related	1,795	861	108.5
- Other operating income	6,491	4,461	45.5
Selling and distribution costs	(1,570)	(744)	111.0
Administrative expenses	(14,452)	(12,124)	19.2
Other expenses	(3,201)	(1,990)	60.9
Profit from operating activities	15,815	15,256	3.7
Finance costs	(3,056)	(3,020)	1.2
Profit before tax	12,759	12,236	4.3
Tax expense	(3,504)	(3,476)	0.8
Profit from continuing operations	9,255	8,760	5.7
Discontinued Operations ^{#1}			
Operating (loss)/gain of discontinued operations	(3,232)	1,074	NM
Net gain on disposal of subsidiaries	4,123	-	NM
Profit from discontinued operations, net of tax	891	1,074	(17.0)
Profit for the period	10,146	9,834	3.2
Profit attributable to:			
Owners of the Company ^{#2}	9,924	9,620	3.2
Non-controlling interest	222	214	3.7
Profit for the period	10,146	9,834	3.2

^{#1} The disposal of Mining Services Business (Discontinued Operations) was completed on 28 February 2017. As such, the results of Discontinued Operations for 1Q2017 comprised net operating loss of Mining Services Business of RMB 3.2 million and the Group's net gain on disposal of Mining Services Business of RMB 4.1 million. The Group has ceased to recognise the financial results of the Mining Services Business from the date of completion onwards.

^{#2} Profit attributable to Owners of the Company includes net profits from the following business segments:

- Infrastructure, net of non-controlling interest	9,538	8,998	6.0
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Note: NM – Not Meaningful.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

	Group		
	1Q2017 RMB'000	1Q2016 RMB'000	Change %
Results of discontinued operations			
Revenue	8,675	45,252	(80.8)
Cost of sales	(7,139)	(33,729)	(78.8)
Gross profit	1,536	11,523	(86.7)
Other income	607	993	(38.9)
Administrative expenses	(4,609)	(9,715)	(52.6)
Other expenses	(12)	(127)	(90.6)
(Loss)/profit from discontinued operations	(2,478)	2,674	NM
Finance costs	(754)	(820)	(8.0)
(Loss)/profit before tax	(3,232)	1,854	NM
Tax expense	–	(780)	NM
Operating (loss)/gain of discontinued operations	(3,232)	1,074	NM
Gain on disposal of subsidiaries for the Group	4,123	–	NM
Profit from discontinued operations	891	1,074	(17.0)

Consolidated Statement of Comprehensive Income

	Group		
	1Q2017 RMB'000	1Q2016 RMB'000	Change %
Profit for the period	10,146	9,834	3.2
Other comprehensive income			
Foreign currency translation differences ⁽¹⁾	(334)	(2,187)	(84.7)
Realisation of translation reserve upon disposal of subsidiaries	(2,778)	–	NM
Other comprehensive income for the period, net of tax	(3,112)	(2,187)	42.3
Total comprehensive income for the period	7,034	7,647	(8.0)
Total comprehensive income attributable to:			
Owners of the Company	6,812	7,433	(8.4)
Non-controlling interest	222	214	3.7
Total comprehensive income for the period	7,034	7,647	(8.0)

Notes:

- (1) Translation differences relate to accounting translation of financial statements of subsidiaries in currency other than presentation currency to RMB. The translation loss for 1Q2017 was due to weakening of VND against the AUD.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

1(a)(ii) Items, which if significant must be included in the income statement.

Notes to Income Statement

	Group			Group		
	Discontinued operations			Continuing operations		
	1Q2017	1Q2016	Change	1Q2017	1Q2016	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue includes the following:						
Mining services	8,675	45,252	(80.8)	–	–	–
Infrastructure	–	–	–	187,841	206,644	(9.1)

Other income includes the following:

Project related:						
Unwinding of discount on retention monies	–	–	–	821	861	(4.6)
Other operating income:						
Interest income – banks	2	100	(98.0)	130	279	(53.4)
Gain on disposal of subsidiaries, net ⁽¹⁾	4,123	–	NM	4,486	–	NM
Gain/(Loss) on disposal of property, plant and equipment	17	–	NM	(14)	–	NM
Exchange gain, net	588	841	(30.1)	975	2,640	(63.1)
Rental income	–	52	NM	871	1,269	(31.4)

Other expenses include the following:

Amortisation of intangible assets	–	(183)	NM	(170)	(215)	(20.9)
Gain/(Loss) on disposal of property, plant and equipment, net	–	156	NM	–	(290)	NM
Fair value loss on financial assets ⁽²⁾	–	–	–	(1,646)	–	NM

Finance costs include the following:

Interest expense – banks	(544)	(320)	70.0	(1,798)	(1,538)	16.9
Interest expense – corporate bond	–	–	–	(1,130)	(983)	15.0
Interest expense – finance lease	(210)	(500)	(58.0)	(128)	(499)	(74.3)

Profit before income tax is arrived after deducting:

Depreciation of property, plant and equipment	–	(3,334)	NM	(7,593)	(18,109)	(58.1)
Depreciation of investment properties	–	–	–	(577)	(577)	–

Note:

- (1) The Group struck off the loss-making Sapphire Mineral Resources Pte Ltd (“SMR”) in 1Q17 as part of the its corporate streamlining exercise. The gain on disposal of subsidiary relates to RMB 4.5 million foreign exchange gain which arose from the reversal of translation differences relating to the accumulated losses of SMR at historical exchange rates to RMB upon completion of the disposal of SMR.
- (2) For details on the fair value loss on financial assets, please refer to page 9.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

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	
	31.03.2017 RMB'000	31.12.2016 RMB'000	31.03.2017 RMB'000	31.12.2016 RMB'000
Assets				
Property, plant and equipment	100,632	99,649	292	334
Intangible assets and goodwill	71,645	71,815	–	–
Investment properties	58,927	59,504	–	–
Subsidiaries	–	–	378,754	368,930
Other investments	15,588	100	14,111	–
Deferred tax assets	18,108	18,108	–	–
Total non-current assets	264,900	249,176	393,157	369,264
Other investment	5,781	–	5,781	–
Inventories	9,855	9,423	–	–
Construction work in progress	467,258	398,876	–	–
Trade receivables (Note 1)	527,489	653,540	–	–
Other receivables	189,697	105,397	50,048	50,243
Assets held for sale	–	198,973	–	62,615
Cash and cash equivalents	105,301	145,167	18,306	3,064
Total current assets	1,305,381	1,511,376	74,135	115,922
Total assets	1,570,281	1,760,552	467,292	485,186
Equity				
Share capital	413,393	413,393	413,393	413,393
Reserves	56,834	50,022	20,408	8,105
Equity attributable to owners of the Company	470,227	463,415	433,801	421,498
Non-controlling interests	8,693	8,471	–	–
Total equity	478,920	471,886	433,801	421,498
Liabilities				
Other payables	19,620	19,620	–	–
Financial liabilities	47,862	14,419	–	–
Deferred tax liabilities	6,984	7,028	–	–
Total non-current liabilities	74,466	41,067	–	–
Trade payables	449,898	526,341	–	–
Other payables	344,704	357,106	33,452	63,638
Progress billings in excess of construction work in progress	52,766	82,754	–	–
Financial liabilities	142,873	159,619	39	50
Current tax liabilities	26,654	23,418	–	–
Liabilities held for sale	–	98,361	–	–
Total current liabilities	1,016,895	1,247,599	33,491	63,688
Total liabilities	1,091,361	1,288,666	33,491	63,688
Total equity and liabilities	1,570,281	1,760,552	467,292	485,186

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

Note 1: Details of trade receivables were as follows:

	As at 31 March 2017		
	Trade receivables RMB'000	Revenue RMB'000	Turnover days
Infrastructure Business	527,489	187,841	256

Not past due	96%
Due less than 1 year	3%
Due more than 1 year	1%
	100%

	As at 31 December 2016		
	Trade receivables RMB'000	Revenue RMB'000	Turnover days
Infrastructure Business	653,540	1,078,209	221

Not past due	97%
Due less than 1 year	2%
Due more than 1 year	1%
	100%

Trade receivables included retention monies, Built-and-Transfer contract and other guarantee sums, excluding which, the trade receivables turnaround period would have been approximately 89 days as at 31 March 2017 (31 December 2016: 90 days).

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

	31.03.2017		31.12.2016	
	Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
Amount repayable in one year or less, or on demand	142,873	–	159,619	–
Amount repayable after one year	47,862	–	14,419	–
	190,735	–	174,038	–
Finance liabilities classified as held for sale	–	–	17,913	–
	190,735	–	191,951	–
Mancala (Disposed Group)				
- Current portion of finance lease	–	–	15,863	–
- Non-current portion of finance lease	–	–	2,050	–
Ranken				
- Short-term bank borrowings	136,000	–	146,000	–
- Current portion of finance lease	6,834	–	13,569	–
- Long term bond	47,862	–	14,419	–
Corporate function				
- Current portion of finance lease	39	–	50	–
Total	190,735	–	191,951	–

Details of any collateral as at 31 March 2017

Ranken

- (i) The short-term and long-term bank loans for Ranken are secured by personal guarantees by the vendors of Ranken and land and building with total carrying amounts of RMB 74.2 million and deposits pledged of RMB 0.7 million pledged.
- (ii) The carrying value of fixed assets under finance lease as at 31 March 2017 approximates RMB 29.1 million.
- (iii) As at 31 March 2017, the vendors have granted personal guarantees for the purpose of securing total banking facilities of RMB 654.3 million for Ranken's working capital.

Corporate function

- (i) The carrying value of fixed assets under finance lease as at 31 March 2017 approximates RMB 0.1 million.

The Group's overall gearing (excluding the disposal group, Mancala) was approximately 0.4 times as at 31 March 2017.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

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	
	1Q2017 RMB'000	1Q2016 RMB'000
Operating activities		
Profit before income tax	12,759	12,236
Adjustments for:		
Depreciation of property, plant and equipment	7,593	18,109
Depreciation of investment properties	577	577
Amortisation of intangible assets	170	215
Gain on disposal of subsidiaries, net (Note A)	(4,486)	–
Loss on disposal of property, plant and equipment, net	14	290
Fair value loss on financial assets	1,646	–
Interest income	(130)	(279)
Interest expense	3,056	3,020
Unwinding of discount on retention monies	(821)	(861)
Operating profit before working capital changes	20,378	33,307
Changes in working capital:		
Inventories	(432)	835
Construction work in progress, net	(98,370)	23,232
Trade and other payables	(54,511)	(60,627)
Trade and other receivables	78,611	(11,988)
Released of fixed deposit pledged	10,000	7,000
Cash flows from operations	(44,324)	(8,241)
Income tax paid	(300)	(3,556)
Net cash used in operating activities	(44,624)	(11,797)
Net cash (used in)/generated from operating activities from discontinued operations	(5,057)	11,693
	(49,681)	(104)
Investing activities		
Interest received	130	279
Payment for purchase of plant and equipment	(8,582)	(15,812)
Proceeds for purchase of plant and equipment	–	32
Payment for purchase of financial assets	(1,377)	–
Refund of deposit	(6,076)	–
Net cash used in investing activities	(15,905)	(15,501)
Net cash generated from / (used in) investing activities from discontinued operations	13,101	(206)
	(2,804)	(15,707)
Financing activities		
Repayment to previous shareholder of Ranken's subsidiary	(2,850)	–
Interest paid	(3,056)	(3,020)
Proceeds from bank loans	–	10,000
Payment of bank loans	(10,000)	(5,001)
Payment of finance lease liabilities	(6,874)	(6,882)
Proceeds from bond	33,151	–
Net cash generated from / (used in) financing activities	10,371	(4,903)
Net cash used in financing activities from discontinued operations	(2,250)	(7,537)
	8,121	(12,440)

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

	Group	
	1Q2017	1Q2016
	RMB'000	RMB'000
Net decrease in cash and cash equivalents	(44,364)	(28,251)
Cash and cash equivalents at beginning of the period	134,517	139,355
Cash and cash equivalents classified as held for sale at beginning of the period	17,435	–
Effect of exchange rate changes on the balances held in foreign currencies	(2,937)	304
Cash and cash equivalents of discontinued operations	–	(11,502)
Cash and cash equivalents at end of the period	104,651	99,906
Cash and cash equivalents consist of the following:		
Cash and cash equivalents in the statement of financial position	105,301	110,503
Fixed deposits pledged	(650)	(10,597)
Cash and cash equivalents in the statement of cash flows	104,651	99,906

	Group
	1Q2017
	RMB'000
Cash flows from discontinued operations	
Cash and cash equivalents classified as held for sale as at 31 December 2016	17,435
Net cash used in operating activities	(5,057)
Net cash from investing activities	13,101
Net cash used in financing activities	(2,250)
Effect of exchange rate fluctuations on cash held	(1,094)
	<u>22,135</u>
Cash and cash equivalents at date of disposal	(8,541)
Net cash inflow from disposal of subsidiaries (Note A)	<u>13,594</u>

Note A

On 28 February 2017, the Group completed the disposal of 81% of the equity interest in Mancala Holdings Limited and its subsidiaries (“Mancala”). The Group continues to hold 19% of Mancala as available-for-sale financial assets classified as other investment on the face of the balance sheet. The effect of cash flow arising from the disposal is set out below:

	Group
	1Q2017
	RMB'000
Property, plant and equipment	70,509
Intangible assets	1,075
Deferred tax assets	5,627
Inventories	10,896
Trade receivables	6,984
Other receivables	14,908
Non-current assets held for sale	67,887
Cash and cash equivalents	8,541
Deferred tax liabilities	(1,002)
Trade payables	(24,381)
Other payables	(64,798)
Financial liabilities	(31,940)
Current tax liabilities	(296)
Net assets of Mancala at the date of disposal	<u>64,010</u>

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

	<u>Group</u> <u>1Q2017</u> <u>RMB'000</u>
Net assets of Mancala at the date of disposal	64,010
Gain on disposal of Mancala, net ⁽²⁾	4,123
Add back: Loss on partial settlement of consideration payable	3,346
Add back: Expenses incurred for disposal transaction	612
Realisation of foreign currency translation reserve	1,708
	<u>73,799</u>
Recognition of 19% stake in Mancala as available-for-sale financial assets	<u>(14,022)</u>
Sales consideration	59,777
Sales consideration receivable in shares of CVT ⁽¹⁾	(34,810)
Offset against deposit received	<u>(2,832)</u>
Sales consideration received in cash	22,135
Cash and cash equivalents disposed of	<u>(8,541)</u>
Net cash inflow from disposal of subsidiaries	<u>13,594</u>

Note:

- (1) The Group received 95,890,410 new ordinary shares in the share capital of CVT (“CVT Shares”) pursuant to the SPA with CVT. The CVT shares were valued based on its market price on completion date for value of RMB 34,810,000.

As previously announced on 30 December 2016 (the “Update on Mancala Holdings Pty Ltd Announcement”), the Company has transferred 75,525,506 shares in CVT to the Vendors for the partial redemption of the Second Corporate Bonds. Arising from which, the Company recognised a loss on partial settlement of amounts payable to the vendors of Manacala of RMB 3,346,000 during the period.

The Company holds the remaining 20,364,904 shares in CVT (“remaining CVT shares”) as financial assets at fair value through profit or loss, designated as such upon initial recognition. Arising from the decrease in fair value of the remaining shares in CVT, the Company recognised fair value loss from the change in fair value of financial assets of RMB 1,646,000 during the period.

- (2) The details of the gain on disposal of Mancala is as follows:

	<u>Group</u> <u>1Q2017</u> <u>RMB'000</u>
- Gain on disposal of Mancala	8,081
- Expenses incurred for disposal transaction	(612)
- Loss on partial settlement of consideration payables	<u>(3,346)</u>
- Net gain from disposal of Mancala	<u>4,123</u>

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

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 Equity

	Share capital RMB'000	Capital reserve RMB'000	Merger reserve RMB'000	Other reserves RMB'000	Currency translation reserve RMB'000	Accumulated profit / (losses) RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
1Q2016									
Group									
At 1 January 2016	1,324,336	(7,585)	2,078	(6,777)	(7,285)	(890,079)	414,688	7,091	421,779
Profit for the period	–	–	–	–	–	9,620	9,620	214	9,834
Other comprehensive income									
Foreign currency translation differences	–	–	–	–	(2,187)	–	(2,187)	–	(2,187)
Total other comprehensive income	–	–	–	–	(2,187)	–	(2,187)	–	(2,187)
Total comprehensive income	–	–	–	–	(2,187)	9,620	7,433	214	7,647
At 31 March 2016	1,324,336	(7,585)	2,078	(6,777)	(9,472)	(880,459)	422,121	7,305	429,426

In accordance with Financial Reporting Standards 21 - *The Effects of Changes in Foreign Exchange Rates*, the share capital and reserves of the Company and entities consolidated in the Group whose functional currencies are not denominated in RMB have been translated from its functional currency into the presentation currency (RMB), using historical rates with differences accounted for as foreign currency translation differences. The equity figures above have been determined by the management and are subject to audit and may be adjusted accordingly upon finalisation by the auditors.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

Consolidated Statement of Changes in Equity

	Share capital RMB'000	Capital reserve RMB'000	Merger reserve RMB'000	Other reserves RMB'000	Currency translation reserve RMB'000	Accumulated profit RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
1Q2017									
Group									
At 1 January 2017	413,393	(7,585)	2,075	(6,777)	(5,631)	67,940	463,415	8,471	471,886
Profit for the period	–	–	–	–	–	9,924	9,924	222	10,146
Other comprehensive income									
Foreign currency translation differences	–	–	–	–	(334)	–	(334)	–	(334)
Realisation of reserve upon disposal of subsidiaries	–	–	–	–	(2,778)	–	(2,778)	–	(2,778)
Total other comprehensive income	–	–	–	–	(3,112)	–	(3,112)	–	(3,112)
Total comprehensive income	–	–	–	–	(3,112)	9,924	6,812	222	7,034
At 31 March 2017	413,393	(7,585)	2,075	(6,777)	(8,743)	77,864	470,227	8,693	478,920

In accordance with Financial Reporting Standards 21 - *The Effects of Changes in Foreign Exchange Rates*, the share capital and reserves of the Company and entities consolidated in the Group whose functional currencies are not denominated in RMB have been translated from its functional currency into the presentation currency (RMB), using historical rates with differences accounted for as foreign currency translation differences. The equity figures above have been determined by the management and are subject to audit and may be adjusted accordingly upon finalisation by the auditors.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

Statement of Changes in Equity

	Share Capital	Capital reserve	Other reserves	Currency translation reserve	Accumulated profit / (losses)	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
1Q2016						
Company						
At 1 January 2016	1,324,336	(8,294)	(6,777)	(9,194)	(899,021)	401,050
Loss for the period	–	–	–	–	(953)	(953)
Other comprehensive income						
Foreign currency translation differences	–	–	–	17,477	–	17,477
Total other comprehensive income	–	–	–	17,477	–	17,477
Total comprehensive income	–	–	–	17,477	(953)	16,524
At 31 March 2016	1,324,336	(8,294)	(6,777)	8,283	(899,974)	417,574
1Q2017						
Company						
At 1 January 2017	413,393	(8,294)	(6,777)	9,097	14,079	421,498
Profit for the period	–	–	–	–	1,061	1,061
Other comprehensive income						
Foreign currency translation differences	–	–	–	11,242	–	11,242
Total other comprehensive income	–	–	–	11,242	–	11,242
Total comprehensive income	–	–	–	11,242	1,061	12,303
At 31 March 2017	413,393	(8,294)	(6,777)	20,339	15,140	433,801

In accordance with Financial Reporting Standards 21 - *The Effects of Changes in Foreign Exchange Rates*, the share capital and reserves of the Company and entities consolidated in the Group whose functional currencies are not denominated in RMB have been translated from its functional currency into the presentation currency (RMB), using historical rates with differences accounted for as foreign currency translation differences. The equity figures above have been determined by the management and are subject to audit and may be adjusted accordingly upon finalisation by the auditors.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

- 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 end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

Share Capital

There was no change in the Company's issued capital since the previous period reported on. However, due to the change in presentation currency, as explained in note 5, the Company's share capital is now presented in RMB, rather than S\$.

As at 31 March 2017 and 31 December 2016 the share capital in S\$ and equivalents RMB were as follows:

	Group and Company			
	31 March 2017		31 December 2016	
	S\$'000	RMB'000	S\$'000	RMB'000
Share capital	87,933	413,393	87,933	413,393

Convertible Securities

The Company has no outstanding convertible securities as at end of the current financial period 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 end of the current financial period and as at end of the immediately preceding year**

	31 March 2017	31 December 2016
Total number of issued shares excluding treasury shares	325,797,342	325,797,342

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

There were no treasury shares as at end of the current financial period.

- 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 our auditors.

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

Not applicable.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 2017

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 paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for current reporting period compared with the 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 reasons for, and the effect of, the change

The Group adopted the new/revised FRS and INT FRS applicable for the financial period beginning 1 January 2017. The adoption of the new/revised FRSs did not result in any substantial change to the Group accounting policies or has any significant impact on the interim financial statements.

The Change in Presentation Currency has been adopted as the Company is of the opinion that RMB is a better presentation currency than the S\$, given that:

- a) The disposal of Mancala (mining services) which transactions are mainly denominated in Australian dollars has been completed on 28 February 2017;
- b) The Group's main operations are now mainly conducted by Ranken in the infrastructure business which transactions are mainly denominated in RMB; and
- c) The Group's main business is expected to continue to be in the Infrastructure business, for which the revenue, costs, expenses, profits, assets and liabilities will continue to be mainly denominated in RMB (however the Singapore dollar remains the functional currency of the company).

In accordance with Financial Reporting Standards 21 - *The Effects of Changes in Foreign Exchange Rates*, the results and financial position of entities within the Group whose functional currency are not denominated in RMB have been translated from its functional currency into the presentation currency (RMB), where their assets and liabilities are translated at the closing rate, and income and expenses are translated at the exchange rates at the dates of the transactions (or at the average rate for the period when it is a reasonable approximation). The comparatives have been restated and presented in RMB using similar method.

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- 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

	For the 3 months ended					
	Continuing operations		Discontinued operations		Total	
	1Q2017	1Q2016	1Q2017	1Q2016	1Q2017	1Q2016
Basic earnings per share (RMB cents)	2.78	2.62	0.27	0.33	3.05	2.95
Diluted earnings per share (RMB cents)	2.78	2.62	0.27	0.33	3.05	2.95

The calculation of the above basic earnings per share and diluted earnings per share was computed based on profit attributable to owners of the Company divided by the weighted average number of shares as detailed below:

	For the 3 months ended	
	1Q2017	1Q2016
Weighted average number of shares	325,797,342	325,611,757

The weighted average number of shares during the period is the number of shares outstanding at the beginning of the year, adjusted by the number of shares issued during the period multiplied by a time-weighting factor.

The diluted earnings per share are the same as basic earnings per share as the Group does not have any dilutive capital instruments.

- 7 Net asset value (for the issuer and the Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on and the immediately preceding financial year

	Group		Company	
	31.03.2017	31.12.2016	31.03.2017	31.12.2016
Net asset value per ordinary share (RMB cents)	144.33	142.24	133.15	129.37
Number of shares in issue	325,797,342	325,797,342	325,797,342	325,797,342

- 8 A review of the performance of the Group to the extent necessary for a reasonable understanding of the Group's business. The review must discuss 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. It must also discuss any material factors that affected the cashflow, working capital, assets or liabilities of the Group during the current financial period reported on.

Effect for the change of Functional Currency

The presentation of the Group's financial statements has been changed from Singapore dollars ("S\$") to Chinese Renminbi ("RMB") based on the rationale explained in paragraph 5 of this announcement (the "Change in Presentation Currency"). Accordingly, the comparatives have been restated and presented in RMB.

Review of Financial Performance (1Q2017 vs 1Q2016)

Continuing Operations

Revenue fell by RMB 18.8 million to RMB 187.8 million in 1Q2017, as certain major infrastructure projects recently secured by Ranken were still in the initial stages of enabling works for construction during the period under review; as such, the value of work certified and revenue recognised at these stages were generally lower. Specifically, such initial works include site preparation and clearance works relating to demolition, geotechnical reviews, environmental protection, perimeter fencing, security provisions, utilities supply and other related activities. (Note: Ranken also procured materials on behalf of some project owners as part of its supply chain and these materials, as procured on cost-to-cost basis, were not included in the revenue).

Despite lower revenue, gross profit rose by RMB 2.0 million to RMB 26.8 million. Overall gross profit margin in 1Q2017 was 14.2% as compared to 12.0% in 1Q2016 due to improved cost control and clients' acceptance of variation orders.

Other income, including Ranken's project-related income of RMB 1.8 million, rose by RMB 3.0 million to RMB 8.3 million due mainly to a foreign exchange gain of RMB 4.5 million arising from reversal of translation differences relating to the accumulated losses of SMR at historical exchange rates to RMB upon completion of the disposal of SMR, as part of the Group's corporate streamlining exercise. These were mitigated by absence of exchange gain of RMB 1.7 million and lower rental income of RMB 0.2 million.

Selling and distribution costs rose by RMB 0.8 million to RMB 1.6 million, related mainly to Ranken's travelling expenses.

Administrative expenses rose by RMB 2.3 million to RMB 14.5 million due mainly to Ranken's higher staff costs.

Other expenses rose by RMB 1.2 million to RMB 3.2 million due mainly to accounting loss of RMB 1.6 million from the change in fair value of financial assets. The increase was mitigated by lower loss on disposal of fixed assets of RMB 0.4 million.

Finance costs remained relatively unchanged at RMB 3.0 million.

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Income tax expense was RMB 3.5 million, attributable to provision for income tax on taxable profits for Ranken's operations.

Given the above, net profit for Continuing Operations for 1Q2017 rose by 5.7% to RMB 9.0 million from RMB 8.5 million for 1Q2016, net of non-controlling interest.

Discontinued Operations

The results of Discontinued Operations included (i) net loss for Mancala Group (the Mining Services Business), which is presented as discontinued operations during the period under review pursuant to the Sale and Purchase Agreement ("SPA") announced on 30 December 2016 to dispose 81% of Mancala Group; and (ii) the Group's net gain on disposal of Mancala Group, the transaction of which was completed on 28 February 2017.

Amidst market volatility in the mining industry, revenue for Mining Service Business fell by RMB 36.6 million to RMB 8.7 million and gross profit fell by RMB 10.0 million to RMB 1.5 million. Despite cost-cutting measures resulting in lower administrative expenses (which fell by RMB 5.1 million to RMB 4.6 million), the mining services business made a net loss of RMB 3.2 million in 1Q2017 compared to net profit of RMB 1.1 million in 1Q2016. On completion of the disposal of Mancala Group, the Group recognised a gain on disposal of RMB 4.1 million, net of the loss incurred on partial settlement of amounts payable to the vendors of Mancala.

Review of Financial Position (31 March 2017 vs 31 December 2016)

Total non-current assets rose by RMB 15.7 million due mainly to the recognition of a 19% stake in Mancala as available-for-sale financial assets valued at RMB 14.1 million. Furthermore, there were additions of plant and equipment and site facilities by Ranken of RMB 8.6 million for recently-secured projects, net of depreciation during the period under review.

Total current assets fell by RMB 206.0 million due mainly to the absence of assets held for sale of RMB 199.0 million following the completion of the disposal of Mancala. Current assets (excluding disposal group, Mancala) fell from RMB 1,312.4 million to RMB 1,305.4 million as at 31 March 2017. Significant changes (excluding those of the disposal group) during the period under review were:

- Other investment, comprised of CVT shares classified as financial assets at fair value through profit or loss of RMB 5.8 million (net of settlement of amount payable to vendors in CVT shares).
- Contract work in progress related to Ranken's projects under construction rose by RMB 68.4 million to RMB 467.3 million due to works completed over stages but not yet certified (and thus not invoiced and not recognised as revenue) during the period.
- Trade receivables related to Ranken's projects fell by RMB 126.1 million to RMB 527.5 million. Trade debtor's turnaround time rose to 256 days as compared to 221 days as at 31 December 2016. Trade receivables included retention monies, Build-and-Transfer contract and other guarantee sums, excluding which the trade receivables turnaround period would have been approximately 89 days as at 31 March 2017 (31 December 2016: 90 days).

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- Other receivables, deposits and prepayment, which comprised mainly (i) Ranken's materials procured on behalf of project owners and (ii) security deposits placed with the project owners (refundable on project completion) rose by RMB 49.7 million to RMB 155.1 million in total. The increase in other receivables was also due to the recognition of RMB 34.7 million due from Mancala, which was offset on a Group consolidation basis when Mancala was a subsidiary of the Group as at the last comparable date.
- Cash and cash equivalents for the Group fell by RMB 39.9 million to RMB 105.3 million due mainly to (i) operating cash outflow of RMB 44.6 million as a result of a higher amount of works completed over various stages but not yet certified and billed (resulting in progress payments lagging behind cost payments) and (ii) cash investments in plant and equipment and site facilities of RMB 8.6 million mainly for Ranken's recently-secured new projects; offset by (i) net cash inflow from disposal of subsidiaries of RMB 13.6 million and (ii) proceeds from bond (net of repayment of bank loans, finance lease liabilities, interest expense and loans from previous shareholders of Ranken's subsidiary). More specifically, the cash positions for corporate function and Ranken as at 31 March 2017 were RMB 18.3 million and RMB 87.0 million, respectively. Total cash of RMB 0.7 million was pledged as fixed deposits for Ranken's secured bank borrowings.

Total non-current liabilities comprised a RMB 33.2 million bond for Ranken's working capital purposes.

Total current liabilities fell by RMB 230.7 million due mainly to the absence of liabilities held for sale of RMB 98.4 million following the completion of the disposal of Mancala. Current liabilities (excluding disposal group, Mancala) fell from RMB 1,149.2 million to RMB 1,016.9 million as at 31 March 2017. Significant changes (excluding those of the disposal group) during the period under review were:

- Trade payables related to Ranken's projects fell by RMB 76.4 million to RMB 449.9 million due mainly to payment to suppliers and contractors during the period.
- Progress billings in excess of construction work in progress fell by RMB 30.0 million due mainly to lower advances from project owners.
- Other payables and accruals fell by RMB 12.4 million to RMB 344.7 million due mainly to settlement of consideration payable to vendor of RMB 25.4 million in CVT shares. Other payables and accruals for Ranken and the Company (corporate) as at 31 March 2017 were RMB 312.0 million and RMB 32.7 million, respectively. Other payables and accruals for Ranken comprised mainly the deposits received from clients and security deposits from sub-contractors, VAT payables and accruals of operating expenses.
- Current financial liabilities fell by RMB 16.7 million to RMB 142.9 million as Ranken continued to pay down its working capital borrowings and finance lease obligations.

Total equity

Total equity attributable to owners of the Company or Shareholders' Equity rose by RMB 6.8 million to RMB 470.2 million due to (i) current period earnings of RMB 9.9 million and (ii) net movements of foreign currency translation reserve of RMB 3.1 million after taking into account of translation effects on disposal of foreign subsidiaries and translation of non-RMB denominated financial statements to RMB.

Review of Cash Flows (1Q2017 vs 1Q2016)

Operating cash outflow from continuing operations for 1Q2017 rose by RMB 32.8 million to RMB 44.6 million after accounting for operating profit before working capital changes (or “Cash Profit”) of RMB 20.4 million and net working capital investments of RMB 65.0 million, as a result of higher amounts of completed works pending for billings during the period under review (and thus progress payments lagged behind cost payments).

Cash flows used in investing activities from continuing operations for 1Q2017 were RMB 15.9 million, due mainly to Ranken’s investment in equipment and site facilities for its recently secured projects and refund of deposit to other third parties in relation to the disposal group.

Cash flows generated from financing activities of continuing operations for 1Q2017 were RMB 10.4 million, due mainly to proceeds from bond borrowings of RMB 33.2 million for Ranken’s working capital purposes, offset by repayment of bank loans, finance lease liabilities, interest expense and loan from previous shareholder of Ranken’s subsidiary amounting to RMB 22.8 million.

The discontinued operations (Mining Services Business) recorded net cash used in operating and financing activities of RMB 5.1 million and RMB 2.3 million respectively. The discontinued operations’ net cash from investing activities was mainly from the net cash inflow for the Group from disposal of subsidiaries.

Given the above, cash and cash equivalents fell by RMB 44.4 million to RMB 104.7 million (net of fixed deposits pledged of RMB 0.7 million).

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

In the Group’s FY2016 results announcement, the Board stated that the Group expects to be profitable in the financial year ending 31 December 2017 (“FY2017”), barring unforeseen circumstances.

In 1Q2017, the Group reported net profit of RMB 9.9 million, net of loss from the discontinued mining services business and after accounting for gain on disposal of subsidiaries.

QUARTERLY FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE PERIOD ENDED 31 MARCH 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

China's One Belt, One Road initiative, together with structural reform in its recent economic growth policies, has resulted in increasingly higher infrastructure spending budgets in China, which benefit the Group's core infrastructure business.

Operationally, certain major projects which Ranken has recently won (which form part of the existing orders book of RMB 2.5 billion as at 31 March 2017) are expected to enter the final stage of enabling works for construction and site preparation (see Note 8 for details) in the next few quarters. Ranken will thus need to manage its resources judiciously – including working capital funding and refinancing alternatives – and monitor the targeted stages of completion very closely as these projects progressively enter the mid-term of their respective delivery timetables. Specifically, direct cost control and production efficiency during these mid-term stages are particularly important in sustaining margins.

Meanwhile, the Group is continuing discussions with other strategic partners, including state-owned enterprises in China, to explore investment opportunities in relation to other infrastructure projects in China, which could financially and operationally be structured under Public-Private Partnership ("PPP") models. However, it should be noted that, despite the Group's proactive approach in evaluating these opportunities, there is no certainty that the Group will be able to secure major projects under the proposed PPP models. The Group will provide an update in due course.

Following the Group's completion of its disposal of the 81% stake in Mancala Group in February 2017, the Group does not have direct exposure to the mining services business amid ongoing volatility in the mining industry, and will no longer be consolidating Mancala's results.

Barring unforeseen circumstances, the Group expects to be profitable in the current financial year ending 31 December 2017 ("FY2017").

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/recommended, a statement to that effect

No dividend has been declared/recommendeded in the current period reported on.

13 Disclosure of Interested Person Transaction Conducted under a Shareholder Mandate for the period ended 31 March 2017

There was no such interested person transaction in the current period reported on.

14 Confirmations by Directors

The Board of Directors of the Company hereby confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim consolidated financial statements for the period ended 31 March 2017 to be false or misleading in any material aspect.

15 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

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).

BY ORDER OF THE BOARD

Teh Wing Kwan
Managing Director and Group Chief Executive Officer

12 May 2017