



CHINA MINING INTERNATIONAL LIMITED

中矿国际有限公司

Registered in Cayman Islands

Company Registration No. CT-140095

UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 (“FY2020”)

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 year of the immediately preceding financial year

	The Group		
	FY2020	FY2019	%
	RMB'000	RMB'000	Change
Revenue	3,156	5,030	(37)
Cost of sales	(2,719)	(3,659)	(26)
Gross profit	437	1,371	(68)
Share of losses of joint ventures	-	(35)	(100)
Selling and distribution expenses	(47)	(45)	4
General and administrative expenses	(15,009)	(23,378)	(36)
Written-back of impairment of financial assets, net	2,064	1,809	14
Other income	1,078	1,676	(36)
Other expenses	(3,814)	(4,977)	(23)
Finance income	177	382	(54)
Finance expense	(237)	(140)	69
Loss before tax	(15,351)	(23,337)	(34)
Income tax expense	(355)	(44)	N/M
Loss for the year	(15,706)	(23,381)	(33)

“FY2019” and “FY2020” denotes the full financial year ended 31 December 2019 and 31 December 2020 respectively.

“% Change” denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure.

“N/M” denotes “Not meaningful”.

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

	The Group		
	FY2020	FY2019	%
	RMB'000	RMB'000	Change
Loss from operations before tax has been arrived at after charging/(crediting):			
Amortisation of land use rights	2	2	-
Depreciation of property, plant and equipment	377	2,099	(82)
Depreciation of right-of-use assets	-	810	(100)
Gain on disposal of property, plant and equipment	-	(280)	(100)
Gain on disposal of a joint venture	-	(500)	(100)
Gain on disposal of option to purchase of property	(1,000)	-	100
Foreign exchange loss, net	676	8	N/M
Interest income	(177)	(382)	(54)
Interest expense	237	140	69
Rent rebate granted by lessor	(147)	-	100
Impairment loss on amounts due from related parties	-	8	(100)
Impairment loss on completed properties for sale	-	3,533	(100)
Impairment loss on property, plant and equipment	-	1,689	(100)
Impairment loss on right-of-use assets	-	1,240	(100)
Write-back of impairment on completed properties for sale	-	(1,493)	(100)
Fair value gain on financial assets, at FVPL – structured deposits	(49)	(647)	(92)
Fair value losses of financial assets, at FVPL – quoted securities	3,138	-	100
Reversal of allowances for impairment of amounts due from joint ventures	-	(1,817)	(100)
Reversal of allowances for impairment of other debtors	(2,071)	-	100
Accruals and other payable written off	-	(247)	(100)

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

Statements of financial position of the Group and the Company as at 31 December 2020 and 31 December 2019

	The Group		The Company	
	31 Dec 2020 RMB'000	31 Dec 2019 RMB'000	31 Dec 2020 RMB'000	31 Dec 2019 RMB'000
Non-current assets				
Property, plant and equipment	784	1,141	6	8
Land use rights	43	45	-	-
Investments in subsidiaries	-	-	128,200	128,200
Financial assets, at FVOCI	60,909	70,332	60,909	70,332
Deferred tax assets	1,045	1,302	-	-
	62,781	72,820	189,115	198,540
Current assets				
Financial assets, at FVPL – structured deposits	21,000	2,740	-	-
Financial assets, at FVPL – quoted securities	8,365	-	-	-
Completed properties for sale	8,985	11,704	-	-
Other receivables, deposits and prepayments	2,941	12,313	91	115
Amounts due from joint ventures (non-trade)	-	-	-	-
Income tax recoverable	-	-	-	-
Pledged bank deposits	750	1,133	-	-
Cash and cash equivalents	1,919	29,159	796	920
	43,960	57,049	887	1,035
Current liabilities				
Trade payables	2,503	2,544	-	-
Contract liabilities	57	57	-	-
Accruals and other payables	17,025	21,575	574	499
Lease liabilities	481	827	-	-
Share-margin financing facility	1,928	-	-	-
Amounts due to subsidiaries (non-trade)	-	-	122,991	124,943
Amounts due to related parties (non-trade)	34	-	-	-
Income tax payables	3,137	3,039	-	-
	25,165	28,042	123,565	125,442
Net current assets/(liabilities)	18,795	29,007	(122,678)	(124,407)
Non-current liabilities				
Lease liabilities	-	459	-	-
	-	459	-	-
Net assets	81,576	101,368	66,437	74,133
Capital and reserves				
Issued capital	7,083	5,897	7,083	5,897
Share premium	228,745	224,594	228,745	224,594
Treasury shares	(18)	(18)	(18)	(18)
Capital reserve	49,031	49,031	-	-
Distributable reserve	267,600	267,600	267,600	267,600
Fair value reserve	(9,522)	(99)	(9,522)	(99)
Accumulated losses	(461,343)	(445,637)	(427,451)	(423,841)
Total equity	81,576	101,368	66,437	74,133

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

	The Group	
	As at 31 Dec 2020 RMB'000	As at 31 Dec 2019 RMB'000
Amount repayable in one year or less or on demand		
Secured	(1)1,928	-
Unsecured	(2)481	(2)827
	2,409	827
Amount repayable after one year		
Unsecured	-	459(2)

Notes:

- (1) Being a share financing loan procured for the purpose of investment in certain quoted securities (the "Share Financing Loan"). The Share Financing Loan carries an interest of 6.2% per annum and is secured against the investment in the quoted securities.
- (2) Being lease liabilities arose as a result of the adoption of the accounting standard IFRS 16 in FY2019.

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

	The Group	
	FY2020 RMB'000	FY2019 RMB'000
OPERATING ACTIVITIES		
Loss before tax:	(15,351)	(23,337)
Adjustments for:		
Amortisation of land use rights	2	2
Depreciation of property, plant and equipment	377	2,099
Depreciation of right-of-use assets	-	810
Rent rebates	(147)	-
Gain on disposal of a joint venture	-	(500)
Gain on disposal of option to purchase of property	(1,000)	-
Exchange difference	288	69
Impairment loss on property, plant and equipment	-	1,689
Impairment loss on right-of-use assets	-	1,240
Impairment loss of completed properties for sale, net	-	2,040
Impairment loss on amounts due from related parties	-	8
Reversal of impairment loss on amounts due from joint ventures	-	(1,817)
Reversal of impairment loss on amounts due from related parties	(33)	-
Reversal of impairment loss on amounts due from other debtors	(2,031)	-
Interest income	(177)	(382)
Interest expense	237	140
Gain on disposal of property, plant and equipment	-	(280)
Share of losses of joint ventures	-	35
Fair value losses on financial assets, at FVPL – quoted securities, net	3,138	-
Fair value gain on financial assets, at FVPL – structured deposits	(49)	(647)
Operating loss before working capital changes	(14,746)	(18,831)
Completed properties for sale	2,719	3,658
Other receivables, deposits and prepayments	12,404	254
Pledged bank deposit	383	724
Trade payables	(52)	(328)
Contract liabilities	-	(1,916)
Advances from/ (Repayment) to related parties	34	(520)
Accruals and other payables	(4,529)	3,462
Cash generated from operations	(3,787)	(13,497)
Income tax paid	-	(343)
NET CASH USED IN OPERATING ACTIVITIES	(3,787)	(13,840)

	The Group	
	FY2020	FY2019
	RMB'000	RMB'000
INVESTING ACTIVITIES		
Repayment from joint ventures	-	2,993
Repayment to joint ventures partners	-	(11)
Loan to a third party	-	(12,000)
Repayment from a third party	-	12,000
Interest received	177	382
Investment in financial assets, at FVPL - quoted securities	(27,417)	-
Proceeds from disposal of financial assets, at FVPL - quoted securities	52,105	-
Investment in financial assets, at FVPL - structured deposits	(47,850)	(146,200)
Proceeds from redemption of financial assets, at FVPL - structured deposits	29,639	160,307
Purchase of property, plant and equipment	(20)	(641)
Proceeds from disposal of property, plant and equipment	-	356
Proceeds from disposal of joint venture	-	500
NET CASH GENERATED FROM INVESTING ACTIVITIES	6,634	17,686
FINANCING ACTIVITIES		
Repayment of interest	(156)	(140)
Repayment of lease liabilities	(735)	(301)
Repayment of margin facilities	(34,267)	-
Issue of new ordinary shares	5,337	-
NET CASH USED IN FINANCING ACTIVITIES	(29,821)	(441)
Net decrease in cash and cash equivalents	(26,974)	3,405
Cash and cash equivalents at beginning of the year	29,159	25,824
Exchange difference on cash and cash equivalents	(266)	(70)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	1,919	29,159

1.(d) A statements of comprehensive income (for the issuer and group), together with a comparative statement for the corresponding year of the immediately preceding financial year.

Unaudited consolidated statements of comprehensive income of the Group and the Company for the year ended 31 December 2019 and 2020

Total comprehensive loss for the year attributable to:

	The Group	
	FY2020	FY2019
	RMB'000	RMB'000
Loss for the year	(15,706)	(23,381)
Other comprehensive loss for the year	-	-
Equity investment at FVOCI	-	-
- Net changes in fair value	(9,423)	(7,776)
Total comprehensive loss for the year	(25,129)	(31,157)

	The Group	
	FY2020	FY2019
	RMB'000	RMB'000
Equity holder of the Company	(25,129)	(31,157)
Non-controlling interests	-	-
Total comprehensive loss for the year	(25,129)	(31,157)

Total comprehensive loss for the year attributable to:

	The Company	
	FY2020	FY2019
	RMB'000	RMB'000
Loss for the year	(3,610)	(2,974)
Other comprehensive loss for the year		
Equity investment at FVOCI		
- Net changes in fair value	(9,423)	(7,776)
Total comprehensive loss for the year	(13,033)	(10,750)

	The Company	
	FY2020	FY2019
	RMB'000	RMB'000
Equity holder of the Company	(13,033)	(10,750)
Non-controlling interests	-	-
	(13,033)	(10,750)

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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding year of the immediately preceding financial year.

Unaudited consolidated statement of changes in equity of the Group for the year ended 31 December 2020 and 31 December 2019

	The Group							
	Issued capital	Share premium	Capital reserve	Distributable reserve	Treasury shares	Fair value reserve	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2020	5,897	224,594	49,031	267,600	(18)	(99)	(445,637)	101,368
Loss for the year	-	-	-	-	-	-	(15,706)	(15,706)
Issue of new ordinary shares pursuant to the Placement (as defined below)	1,186	4,151	-	-	-	-	-	5,337
Other comprehensive loss, Net change in fair value	-	-	-	-	-	(9,423)	-	(9,423)
Balance as at 31.12.2020	7,083	228,745	49,031	267,600	(18)	(9,522)	(461,343)	81,576

	The Group							
	Issued capital	Share premium	Capital reserve	Distributable reserve	Treasury shares	Fair value reserve	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2019	5,897	224,594	49,031	267,600	(18)	7,677	(422,256)	132,525
Loss for the year	-	-	-	-	-	-	(23,381)	(23,381)
Other comprehensive loss, Net change in fair value	-	-	-	-	-	(7,776)	-	(7,776)
Balance as at 31.12.2019	5,897	224,594	49,031	267,600	(18)	(99)	(445,637)	101,368

	The Company						
	Issued Capital RMB'000	Share premium RMB'000	Distributable Reserve RMB'000	Fair value reserve RMB'000	Treasury shares RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Balance as at 1.1.2020	5,897	224,594	267,600	(99)	(18)	(423,841)	74,133
Loss for the year	-	-	-	-	-	(3,610)	(3,610)
Issue of new ordinary shares pursuant to the Placement as defined below)	1,186	4,151	-	-	-	-	5,337
Other comprehensive loss, Net change in fair value	-	-	-	(9,423)	-	-	(9,423)
Balance as at 31.12.2020	7,083	228,745	267,600	(9,522)	(18)	(427,451)	66,437

	The Company						
	Issued Capital RMB'000	Share premium RMB'000	Distributable Reserve RMB'000	Fair value reserve RMB'000	Treasury shares RMB'000	Accumulated losses RMB'000	Total equity RMB'000
Balance as at 1.1.2019	5,897	224,594	267,600	7,677	(18)	(420,867)	84,883
Loss for the year	-	-	-	-	-	(2,974)	(2,974)
Other comprehensive loss, Net change in fair value	-	-	-	(7,776)	-	-	(7,776)
Balance as at 31.12.2019	5,897	224,594	267,600	(99)	(18)	(423,841)	74,133

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 year 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 issued shares excluding treasury shares of the issuer, as at the end of the current financial year reported on and as at the end of the corresponding year of the immediately preceding financial year.

Share Capital of the Company (including treasury shares)

	Number of ordinary shares	Issued capital RMB'000	Share premium RMB'000
Balance as at 1 January 2020	146,700,000	5,897	224,594
Add: New shares issued pursuant to the Placement (as defined below)	29,300,000	1,186	4,151
Balance as at 31 December 2020	176,000,000	7,083	228,745

Treasury shares

As at	31 Dec 2020	31 Dec 2019
Total number of treasury shares of the Company	11,500	11,500

Issued capital

Pursuant to the completion of the placement as announced by the Company on 26 August 2020 (the "Placement"), the Company issued 29,300,000 new ordinary shares of the Company at an issue price of \$0.036 per share in raising a net proceeds of S\$1,004,800 (the "Net Placement Proceeds").

As at the date of this announcement, S\$756,384 of the Net Placement Proceeds had been utilized as follows:

Intended Purposes of the Net Placement Proceeds	Percentage allocated	Amount allocated (S\$)	Utilized amount (S\$)	Unutilized amount (S\$)
For the growth, development and expansion of the existing businesses of the Group as well as the exploration of new business opportunities	30%	301,440	53,024	248,416
For working capital needs of the Group (including expenses relating to professional services and administration)	70%	703,360	703,360 ⁽¹⁾	-
	100%	1,004,800	756,384	248,416

Note:

(1) A breakdown of which is provided as follows:

	S\$
Staff remuneration	601,104
Travelling and entertainment	62,589
Office expenses	37,419
Others	2,248
	<u>703,360</u>

Employee share option scheme

No share options were issued for FY2019 and FY2020. Neither was there any ordinary share issued as a result of the exercise of any outstanding share option in FY2019 and FY2020.

Outstanding convertibles or options

There were no outstanding convertibles or options that may be converted into new shares in the capital of the Company as at 31 December 2019 and 31 December 2020.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.

As at	31 Dec 2020	31 Dec 2019
Total number of issued ordinary shares of the Company (excluding treasury shares)	175,988,500	146,688,500

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

There was no sale, transfer, disposal, cancellation or use of treasury shares in FY2020.

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

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

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

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

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (a) updates on the efforts taken to resolve each outstanding audit issue (b) confirmation from the board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed. This is not required for any audit issue that is a material uncertainty relating to going concern.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.

During FY2020, the Group adopted the new or amended IFRS and Interpretations of IFRS ("IFRIC") that are mandatory for application from 1 January 2020, and relevant changes to the Group's accounting policies were made in accordance with the transitional provisions in the respective IFRS and IFRIC. The adoption of these new or amended IFRS and IFRIC did not result in substantial changes to the Group's and the Company's accounting policies; neither had they resulted in any material effect on the amounts reported by the Company for the current or prior financial years.

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 year reported on and the corresponding year 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>The Group</u>	
	<u>FY2020</u>	<u>FY2019</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Loss after tax attributable to shareholders of the Company	<u>(15,706)</u>	<u>(23,381)</u>
Basic (Singapore cents) ⁽¹⁾	<u>(2.00) cents</u>	<u>(3.15) cents</u>
Diluted (Singapore cents) ⁽¹⁾	<u>(2.00) cents</u>	<u>(3.15) cents</u>

Note:

- (1) Calculated based on the average exchange rates S\$1:RMB5.01 for FY2020 and S\$1:RMB5.06 for FY2019. The weighted average number of issued ordinary shares of the Company (excluding the 11,500 treasury shares) are 156,935,495 and 146,688,500 for FY2020 and FY2019 respectively. There were no dilutive securities outstanding in FY2020 and FY2019.

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 year reported on; and (b) immediately preceding financial year.

	<u>The Group</u>		<u>The Company</u>	
	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>	<u>31 December</u>
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
Net asset value (excluding non-controlling interests) as at end of financial year	<u>81,576</u>	<u>101,368</u>	<u>66,437</u>	<u>74,133</u>
Net asset value per ordinary share as at the end of financial year (Singapore cents) ⁽¹⁾	<u>9.40 cents</u>	<u>13.37 cents</u>	<u>7.66 cents</u>	<u>9.78 cents</u>

Note:

- (1) Calculated based on the exchange rates of S\$1:RMB4.93 as at 31 December 2020 and S\$1:RMB5.17 as at 31 December 2019. The total number of issued ordinary shares of the Company (excluding the 11,500 treasury shares) are 175,988,500 as at 31 December 2020 and 146,688,500 as at 31 December 2019.

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 year reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial year reported on.

(a) Review of consolidated statement of comprehensive income of the Group for FY2020 (relative to that for FY2019)

Revenue

The overall turnover of the Group, generated mainly from the sales of developed properties, decreased from RMB5.0 million in FY2019 to RMB3.2 million in FY2020. The decrease was principally attributed to fewer completed units being handed over to buyers in FY2020 for the Xinxiang Sunny Town Project (新乡阳光新城项目) (the "Project").

During FY2019, with a view to clear the balanced units of the Project, which are located at corners or relatively not so ideal sites of the Project and/or are relatively not so ideal in their laid out (the "Balanced Units"), the Group had entered into a bought deal arrangement with an independent third party to sell these Balanced Units at a mutually agreed reduced total price, derived based on reduced sale price of each of the Balanced Units, relative to the prevailing market prices. Sales would be recognised by the Group as and when any of these Balanced Units is sold to an end buyer through the independent third party or the Company's wholly-owned subsidiary Xinxiang Huilong Real Estate Co Ltd (新乡辉龙置业有限公司) (the "Bought Deal Arrangement").

Gross profit

Consequence to the Bought Deal Arrangement, the gross profit of the Group decreased from RMB1.4 million in FY2019 to RMB0.4 million in FY2020.

General and administrative expenses

The general and administration expenses of the Group decreased from RMB23.4 million in FY2019 to RMB15.0 million in FY2020 principally as a result of reduced depreciation attributed to impaired property, plant and equipment and rights-of-use assets as well as curtailed travelling and entertainment expenses due to the Group's concerted cost containment measures and in part as a consequence of the prevailing Covid-19 pandemic.

Written-back of impairment of financial assets, net

The write-backs of impaired financial assets were made following the recovery of part of the bad debts previously provided for.

Other income

The other income of the Group decreased by RMB0.6 million from RMB1.7 million in FY2019 to RMB 1.1 million chiefly as a result of reduced income derived from short-term financial products investments in FY2020, albeit the Disposal Gain on Option to Purchase Office Property (as defined below).

Other expenses

The other expenses in FY2019 comprised mainly one-off impairment losses of RMB2.0 million on completed properties for sale and of RMB2.9 million on property, plant and equipment and right-of-use assets.

The other expenses in FY2020 comprised mainly a net loss on investments in quoted securities of RMB3.1 million and net foreign exchange loss of RMB0.7 million.

Finance income

The reduced finance income in FY2020 (relative to FY2019) was mainly attributed to the interest earned on a short-term interest bearing advance made to a joint venture partner in FY2019 with the same being fully repaid in the same financial year.

Finance expense

The increase in finance expenses relate mainly to the interest charged on the Share Financing Loan.

Loss before tax

Consequence to the above, the Group significantly narrowed its loss before tax to RMB15.4 million in FY2020 from RMB23.3 million in FY2019.

Income tax expense

The increase in income tax expense in FY2020 was attributed mainly to the reversal of deferred tax assets in relation to the write-off of impairment of completed properties for sale in FY2020.

Total comprehensive loss attributable to shareholders of the Group

The net loss attributable to the shareholders of the Group improved considerably from RMB31.2 million in FY2019 to RMB25.1 million in FY2020 chiefly as a result of the significant reduction in net loss of the Group in FY2020 (relative to FY2019), albeit an increase in fair value loss, at FVOCI, in respect of the Group's investment in its South African mining company.

(b) Review of statements of financial position of the Group as at 31 December 2020 (relative to that as at 31 December 2019)

Non-current assets

The decrease in property, plant and equipment of RMB0.4 million was mainly due to depreciation.

The decrease in financial assets, at FVOCI, was attributed mainly to the fair value loss in respect of the Group's investment in its South African mining company.

Current assets

The decrease in completed properties for sale by RMB2.7 million was due principally to the delivery of completed units to the buyers concerned.

The decrease in other receivables, deposits and prepayments was attributed mainly to the disposal of an option-to-purchase-office-property deposit of RMB10.0 million for RMB11.0 million in FY2020, resulting in a disposal gain of RMB1.0 million (the "Disposal Gain on Option to Purchase Office Property")

The decrease in pledged bank deposits by RMB0.4 million was mainly attributed to a decrease in deposits placed with local banks to facilitate the procurement of housing loans by buyers of the Group's properties; these pledged bank deposits will be released to the Group upon the issuance of the relevant property ownership certificates to the buyers concerned.

The increase in financial assets, at FVPL – structured deposits was due mainly to the additional investment of RMB18.3 million made in structured deposits in FY2020.

The increase in financial assets, at FVPL – quoted securities was due mainly to the short-term equity investment of RMB8.4 million made against the Share Financing Loan in FY2020.

Taken as a whole, the current assets of the Group decreased by RMB13.0 million from RMB57.0 million as at 31 December 2019 to RMB44.0 million as at 31 December 2020.

Non-current liabilities

The decrease in non-current liabilities of the Group was attributed mainly to the reclassification from non-current to current liabilities due to lease expiring within the next 12 months.

Current liabilities

The decrease in accruals and other payables was due in part to the delivery of completed units pursuant to the Bought Deal Arrangement of RMB3.3 million (as such other payables will be booked as income as and when the completed unit is delivered to the end customer) and in part to payments made to suppliers and for accrued salaries during FY2020.

The increase in share-margin financing facility of RMB1.9 million was mainly attributed to the Share Financing Loan.

The decrease in lease liabilities was attributed mainly to lease payments made.

Taken as a whole, the current liabilities of the Group decreased by RMB2.8 million from RMB28.0 million as at 31 December 2019 to RMB25.2 million as at 31 December 2020.

As a result of the above:

- (1) the working capital position of the Group decreased from RMB29.0 million as at 31 December 2019 to RMB18.8 million as at 31 December 2020;
- (2) the net cash flow of the Group used in operations decreased from RMB13.8 million in FY2019 to RMB3.8 million in FY2020;
- (3) the net asset value of the Group decreased from RMB101.4 million as at 31 December 2019 to RMB81.6 million as at 31 December 2020, with the net asset value per ordinary share of the Company decreased from 13.37 Singapore cents per share as at 31 December 2019 to 9.40 Singapore cents per share as at 31 December 2020.

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

Nil.

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 year and the next 12 months.

As a follow-on of the Company's long pursuit of its proposed acquisition of 63.11% of the registered capital of Henan Zhongnong Huasheng Agricultural Science and Technology Co., Ltd. (河南中农华盛农业科技集团有限公司) (the "Target") with a view to diversify into the business of agriculture (the "Proposed Acquisition"), the Company had on 21 January 2021 entered into a binding term sheet with China Focus International Limited (中置国际有限公司) ("China Focus") and Profit Run Developments Limited (润辉发展有限公司) ("Profit Run") so as to acquire from these entities 100% of their respective shareholdings in the issued and paid-up share capital of Fully Rich International Investment Limited (广富国际投资有限公司) ("Guang Fu"), which in turns owns 63.11% of the registered capital of the Target, for the carrying out of the Proposed Acquisition. The Proposed Acquisition is anticipated to require the approval of the shareholders of the Company at a general meeting to be convened as it is expected to constitute as a major transaction pursuant to Rules 1006 and 1014 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") and is an interested person transaction pursuant to Chapter 9 of the Listing Manual of SGX-ST as Mr Guo Yinghui, the Chairman and controlling shareholder of the Company, controls both China Focus and Profit Run.

The Company and Mr Guo (through China Focus and Profit Run) are currently in advanced discussions in finalizing the key terms and conditions for the Proposed Acquisition. Further details concerning the Proposed Acquisition will be announced by the Company in due course.

Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, undue reliance must not be placed on these statements.

11. If a decision regarding dividend has been made:

(a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No.

(b)(i) Amount per share (cents)

No.

(b)(ii) Previous corresponding year (cents)

No.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).

No.

(d) The date the dividend is payable.

No.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.

No.

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

No dividend had been declared or recommended for FY2020 in view of the loss making position of the Group for FY2020.

13. If the group has obtained 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.

Name of the interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	RMB'000	RMB'000
Guo Yinghui	1,000 ⁽¹⁾	Nil

Note:

(1) This transaction pertains to an interest-free advance extended by Mr Guo Yinghui, the Chairman and controlling shareholder of the Company, to the Group in January 2020, with the same having been fully repaid in February 2020.

The Company does not have any general mandate from its shareholders concerning interested party transaction.

14. Negative assurance on interim financial statements pursuant to Rule 705(4) of the Listing Manual

Not Applicable.

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 the said undertakings from all its directors and executive officers.

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

The Group	Mining	Commercial and residential property development	Investment ⁽¹⁾	Total
	RMB '000	RMB '000	RMB '000	RMB '000
FY2020				
Segment revenue from external customers	-	3,156	-	3,156
Segment income/(loss), representing income/(loss) before tax	-	2,102	(17,453)	(15,351)
Tax expense				(355)
Loss for the year				(15,706)
				<hr/>
The Group	Mining	Commercial and residential property development	Investment ⁽¹⁾	Total
	RMB '000	RMB '000	RMB '000	RMB '000
FY2019				
Segment revenue from external customers	-	5,030	-	5,030
Segment loss, representing loss before tax	(35)	(1,793)	(21,509)	(23,337)
Tax expenses				(44)
Loss for the year				(23,381)
				<hr/>

Note:

(1) The 'Investment' segment, being the investment holding arm of the various entities of the Group not falling within the 'Mining' and 'Commercial and Residential Property Development' segments of the Group, includes the unallocated corporate functions and restructuring activities and treasury investment activities of the Group.

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

No.

18. A breakdown of sales

	The Group		
	FY2020	FY2019	%
	RMB'000	RMB'000	Change
(i) Sales from continued operations reported for:			
First half year ended 30 June	1,341	3,775	(64)
Second half year ended 31 December	1,815	1,255	45
	3,156	5,030	(37)

	The Group		
	FY2020	FY2019	%
	RMB'000	RMB'000	Change
(ii) Loss after tax deducting non-controlling interests reported for:			
First half year ended 30 June	(7,161)	(7,865)	(9)
Second half year ended 31 December	(8,545)	(15,516)	(45)
	(15,706)	(23,381)	(33)

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

	FY2020	FY2019
	RMB'000	RMB'000
Ordinary Share:		
Final dividend	Nil	Nil
Interim dividend	Nil	Nil

20. 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.

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, the Company confirms that, to the best of its knowledge and belief, none of the persons occupying managerial positions in the Company or its principal subsidiary is a relative of a Director, the Chief Executive Officer or substantial shareholder of the Company.

Signed for and on behalf of the Board of Directors

BY ORDER OF THE BOARD

Mr Zhai Kebin
CEO & Executive Director

Ms Dong Lingling
Executive Director

26 February 2021