

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 2015

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	4th quarter ended			For the year ended		
		31/12/2015	31/12/2014	Increase / (Decrease) %	31/12/2015	31/12/2014	Increase / (Decrease) %
		RMB'000 Unaudited	RMB'000 Unaudited		RMB'000 Unaudited	RMB'000 Audited	
Continuing operations							
Revenue	1	-	-	N.M	-	-	N.M
Cost of sales		-		N.M	-	-	N.M
Gross profit		-	-	N.M	-	-	N.M
Selling and distribution expenses		-	-	N.M	-	-	N.M
General and administrative expenses		(206)	(1,387)	(85.1)	(4,367)	(4,619)	(5.5)
Loss before income tax	3	(206)	(1,387)	(85.1)	(4,367)	(4,619)	(5.5)
Income tax expense		-	-	N.M	-	-	N.M
Net loss from continuing operations		(206)	(1,387)	(85.1)	(4,367)	(4,619)	(5.5)
Net loss from discontinued operations ⁽¹⁾		(5,064)	(156,510)	(96.8)	(19,853)	(216,268)	(90.8)
Total loss		(5,270)	(157,897)	(96.7)	(24,220)	(220,887)	(89.0)
Attributable to:							
Equity holders of the Company		(5,270)	(157,897)	(96.7)	(24,220)	(220,887)	(89.0)

N.M-not meaningful

Note :

- 1 Operations in Miluo, Xiangyin and Hanshou plants continued to halt for the financial year ended 31 December 2015. 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 the cities. Management has plans to dispose the three subsidiaries in 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, 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 satisfied that the cessation of business has met the criteria under FRS 105.

Hence, the financial statements for the financial year ended 31 December 2015 and 31 December 2014 are prepared in accordance with presentation and disclosure prescribed under FRS 105.

Last year's figures have been reclassified to conform to current year's classification.

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding

Consolidated statement of comprehensive income for the fourth quarter and the year ended 31 December 2015

	4th quarter ended			For the year ended		
	31/12/2015	31/12/2014	Increase / (Decrease) %	31/12/2015	31/12/2014	Increase / (Decrease) %
	RMB'000 Unaudited	RMB'000 Unaudited		RMB'000 Unaudited	RMB'000 Audited	
Loss for the period, net of tax	(5,270)	(157,897)	(96.7)	(24,220)	(220,887)	(89.0)
Items that may be reclassified subsequently to profit or loss						
Currency translation differences arising from consolidation	(961)	1,139	184.4	344	1,119	(69.3)
Total comprehensive loss attributable to equity holders of the Company	(6,231)	(156,758)	(96.0)	(23,876)	(219,768)	(89.1)

(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 31/12/2015			4 th quarter ended 31/12/2014			% Increase/ (Decrease)
	Continuing operations	Discontinued operations	Total Group	Continuing operations	Discontinued operations	Total Group	
(In RMB'000)							
Revenue	-	-	-	-	-	-	N.M
Cost of sales	-	-	-	-	-	-	N.M
Gross profit	-	-	-	-	-	-	N.M
Other income	-	-	-	-	(170)	(170)	N.M
Selling & distribution expenses	-	(45)	(45)	-	(54)	(54)	(16.7)
General & administrative expenses	(206)	(5,019)	(5,225)	(1,387)	(158,117)	(159,504)	(96.7)
Loss before income tax	(206)	(5,064)	(5,270)	-	(158,341)	(159,728)	(96.7)
Income tax	-	-	-	-	1,831	1,831	(100.0)
Net loss	(206)	(5,064)	(5,270)	(1,387)	(156,510)	(157,897)	(96.7)

	For the year ended 31/12/2015			For the year ended 31/12/2014			
(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	-	-	-	-	474	474	(100.0)
Selling & distribution expenses	-	(182)	(182)	-	(227)	(227)	(19.8)
General & administrative expenses	(4,367)	(19,671)	(24,038)	(4,619)	(216,515)	(221,134)	(89.1)
Loss before income tax	(4,367)	(19,853)	(24,220)	(4,619)	(216,268)	(220,887)	(89.0)
Income tax	-	-	-	-	-	-	-
Net loss	(4,367)	(19,853)	(24,220)	(4,619)	(216,268)	(220,887)	(89.0)

(1) Revenue

There was no revenue generated for the fourth quarter and full year ended 31 December 2015 and 31 December 2014 as the production activities in all of our three plants continued to halt.

(2) Other Income

	4th quarter ended			Full year ended		
	31/12/2015	30/12/2014	Increase / (Decrease)	30/12/2015	30/12/2014	Increase / (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
	Unaudited	Unaudited		Unaudited	Unaudited	
Others	-	(170)	NM	-	474	(100.0)
	-	(170)	NM	-	474	(100.0)

(3) Loss before tax

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

	4th quarter ended						
	Continuing operations		Discontinued operations		Total	Total	Increase (Decrease)
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	%
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
Amortisation and depreciation	-	8	-	661	-	669	(100.0)
Allowance for impairment of deposit paid for property, plant and equipment	-	-	-	22,396	-	22,396	(100.0)
Allowance for Impairment of property, plant and equipment ⁽¹⁾	-	-	-	116,971	-	116,971	(100.0)
Allowance for impairment of intangible assets	-	-	-	6,042	-	6,042	(100.0)

Inventories written down	-	-	-	4,256	-	4,256	(100.0)
Electricity	-	-	-	172	-	172	(100.0)
Staff costs	499	827	4,545	7,039	5,044	7,866	(35.9)

Full year ended

	Continuing operations		Discontinued operations		Total	Total	Increase (Decrease) %
	31/12/2015	31/12/2014	31/12/2015	31/12/2014	31/12/2015	31/12/2014	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
Amortisation and depreciation	-	22	-	3,458	-	3,480	(100.0)
Allowance for impairment of	-	-	-	13,377	-	13,377	(100.0)
Allowance for impairment of advance to suppliers	-	-	-	22,086	-	22,086	(100.0)
Allowance for impairment of deposit paid for property, plant and equipment	-	-	-	22,396	-	22,396	(100.0)
Allowance for Impairment of property, plant and equipment ⁽¹⁾	-	-	-	116,971	-	116,971	(100.0)
Allowance for impairment of intangible assets	-	-	-	6,042	-	6,042	(100.0)
Inventories written down	-	-	-	4,256	-	4,256	(100.0)
Electricity	-	-	169	592	169	592	(71.5)
Staff costs	2,560	2,608	18,226	21,552	20,786	24,160	(14.0)

Note :

- The management has engaged an independent valuer, Hunan Public Assets Appraisal Co., Limited (“湖南公众资产评估有限公司”) to determine the fair value of property, plant and equipment and construction-in-progress as at 31 December 2014. The valuation basis is in step with FRS 13 Fair Value Measurements. In accordance with FRS 13, fair value is the amount which is exchanged in an orderly transaction between market participants to sell the asset or transfer the liability at the measurement date under current market conditions. The determination of fair value has to be at the best use of the asset. Arising from this valuation assessment, allowance for impairment of property, plant and equipment of RMB117.0 million was provided in FY2014

(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	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Audited	Unaudited	Audited
ASSETS				
Current Assets				
Cash and bank balances	6	85	1	73
Trade and other receivables	-	187	-	43
	6	272	1	116
Assets of disposal group classified as held for sale	58,739	39,364	-	-
	58,745	39,636	1	116
Non-current Assets				
Investment in subsidiaries	-	-	22,983	22,983
Property, plant and equipment	-	5,255	-	-
Intangible assets	-	14,120	-	-
	-	19,375	22,983	22,983
Total Assets	58,745	59,011	22,984	23,099
LIABILITIES				
Current Liabilities				
Other payables	13,990	16,887	34,139	30,231
Current income tax liabilities	-	12,762	-	-
	13,990	29,649	34,139	30,231
Liabilities of disposal group classified as held for sale	67,010	27,741	-	-
Total liabilities	81,000	57,390	34,139	30,231
NET ASSETS/(LIABILITIES)	(22,255)	1,621	(11,155)	(7,132)
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	724	380	989	645
Accumulated losses	(208,829)	(184,609)	(228,824)	(224,457)
TOTAL EQUITY	(22,255)	1,621	(11,155)	(7,132)

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

Amount repayable in one year or less, or on demand

(RMB'000)

As at 31 December 2015		As at 31 December 2014	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

The Group does not have any bank borrowings as at 31 December 2015 and 31 December 2014.

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	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	RMB'000	RMB'000	RMB'000	RMB'000
	Unaudited	Unaudited	Unaudited	Audited
Cash flows from operating activities				
Net loss	(5,270)	(157,897)	(24,220)	(220,887)
Adjustments for:				
Income tax expense	-	(1,831)	-	-
Amortisation and depreciation	-	669	-	3,480
Allowance for impairment of trade receivables	-	-	-	13,377
Allowance for impairment of advance to suppliers	-	-	-	22,086
Allowance for impairment of deposit paid for property, plant and equipment	-	22,396	-	22,396
Inventories written down	-	-	-	4,256
Allowance for Impairment of property, plant and equipment	-	116,971	-	116,971
Allowance for impairment of intangible asset	-	6,042	-	6,042
Unrealised currency translation losses	(962)	1,141	345	1,122
Interest income	-	(4)	-	(44)
	(6,232)	(12,513)	(23,875)	(31,201)
Changes in working capital				
Trade and other receivables	75	230	187	4,448
Inventories	-	-	-	187
Other payables	6,157	5,791	23,609	9,940
Cash used in operations	-	(6,492)	(79)	(16,626)
Interest received	-	4	-	44
Net cash used in operating activities	-	(6,488)	(79)	(16,582)
Net decrease in cash and bank balances	-	(6,488)	(79)	(16,582)
Cash and bank balances at beginning of financial period/year	6	6,576	85	16,670
Effect of currency translation on cash and bank balances	-	(3)	-	(3)
Cash and bank balances at end of financial period/year	6	85	6	85

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
2015							
As at 1 January 2015	216,788	(108)	71,998	(102,828)	380	(184,609)	1,621
Total comprehensive loss for the period	-	-	-	-	1,237	(6,683)	(5,446)
As at 31 March 2015	216,788	(108)	71,998	(102,828)	1,617	(191,292)	(3,825)
Total comprehensive loss for the period	-	-	-	-	(287)	(5,909)	(6,196)
As at 30 June 2015	216,788	(108)	71,998	(102,828)	1,330	(197,201)	(10,021)
Total comprehensive loss for the period	-	-	-	-	355	(6,358)	(6,003)
As at 30 September 2015	216,788	(108)	71,998	(102,828)	1,685	(203,559)	(16,024)
Total comprehensive loss for the period	-	-	-	-	(961)	(5,270)	(6,231)
As at 31 December 2015	216,788	(108)	71,998	(102,828)	724	(208,829)	(22,255)
Group 2014							
As at 1 January 2014	216,788	(108)	71,998	(102,828)	(739)	36,278	221,389
Total comprehensive loss for the period	-	-	-	-	(455)	(9,822)	(10,277)
As at 31 March 2014	216,788	(108)	71,998	(102,828)	(1,194)	26,456	211,112
Total comprehensive loss for the period	-	-	-	-	(165)	(5,562)	(5,727)
As at 30 June 2014	216,788	(108)	71,998	(102,828)	(1,359)	20,894	205,385
Total comprehensive loss for the period	-	-	-	-	600	(47,606)	(47,006)
As at 30 September 2014	216,788	(108)	71,998	(102,828)	(759)	(26,712)	158,379
Total comprehensive loss for the period	-	-	-	-	1,139	(157,897)	(156,758)
As at 31 December 2014	216,788	(108)	71,998	(102,828)	380	(184,609)	1,621

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					
2015					
As at 1 January 2015	216,788	(108)	645	(224,457)	(7,132)
Total comprehensive loss for the period	-	-	1,237	(1,839)	(602)
As at 31 March 2015	216,788	(108)	1,882	(226,296)	(7,734)
Total comprehensive loss for the period	-	-	(286)	(1,056)	(1,342)
As at 30 June 2015	216,78	(108)	1,596	(227,352)	(9,076)
Total comprehensive loss for the period	-	-	355	(1,266)	(911)
As at 30 September 2015	216,788	(108)	1,951	(228,618)	(9,987)
Total comprehensive loss for the period	-	-	(962)	(206)	(1,168)
As at 31 December 2015	<u>216,788</u>	<u>(108)</u>	<u>989</u>	<u>(228,824)</u>	<u>(11,155)</u>
Company					
2014					
As at 1 January 2014	216,788	(108)	(474)	(34,800)	181,406
Total comprehensive loss for the period	-	-	(454)	(798)	(1,252)
As at 31 March 2014	216,788	(108)	(928)	(35,598)	180,154
Total comprehensive loss for the period	-	-	(165)	(1,050)	(1,215)
As at 30 June 2014	216,788	(108)	(1,093)	(36,648)	178,939
Total comprehensive loss for the period	-	-	599	(1,384)	(785)
As at 30 September 2014	216,788	(108)	(494)	(38,032)	178,154
Total comprehensive loss for the period	-	-	1,139	(186,425)	(185,286)
As at 31 December 2014	<u>216,788</u>	<u>(108)</u>	<u>645</u>	<u>(224,457)</u>	<u>(7,132)</u>

- 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 2015 and 31 December 2014	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 2015	As at 31 December 2014
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 2015.

- 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 2014.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

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	
	31/12/2015	31/12/2014	31/12/2015	31/12/2014
	Unaudited	Unaudited	Unaudited	Audited
Net loss attributable to equity holders of the Company (RMB'000)				
-continuing operations	(206)	(1,387)	(4,367)	(4,619)
-discontinued operations	(5,064)	(156,510)	(19,853)	(216,268)
	(5,270)	(157,897)	(24,220)	(220,887)
Loss per share for				
- Basic (RMB cents) and on a fully dilutive basis ⁽¹⁾				
-continuing operations	(0.06)	(0.39)	(1.21)	(1.28)
-discontinued operations	(1.41)	(43.48)	(5.52)	(60.09)
	(1.47)	(43.87)	(6.73)	(61.37)

Note:

(1) Loss per share of the Group for the year ended 31 December 2015 is calculated by dividing the Group's net loss attributable to shareholders of approximately RMB24,220,000 (FY2014: RMB220,887,000) by the weighted average number of ordinary shares outstanding during the year of 359,900,000 (FY2014: 359,900,000).

For the year ended 31 December 2015 and 2014, 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 2015 and 2014.

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 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
NAV per ordinary share ⁽¹⁾ (RMB cents)	(6.18)	0.45	(3.10)	(1.98)

Note:

(1) NAV per ordinary share as at 31 December 2015 and 31 December 2014 was calculated based on the number of ordinary shares excluding treasury shares as at the end of the financial year. As at 31 December 2014, the number of ordinary shares (excluding treasury shares) was 359,900,000. (As at 31/12/2014: 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 2015 ("FY2015") as compared to the financial year ended 31 December 2014 ("FY2014")

Revenue

The Group had been inactive since April 2013, as such there were no production activities and no revenue generated in all of our three plants for FY2015.

Cost of sales, gross profit

As explained above, there were no production activities in all of our three plants during FY2015. As such, there were no cost of sales and the associated gross profit.

Other income

The decrease in other income for FY2015 as compared to FY2014 by RMB0.5 million was mainly due to the RMB0.5 million miscellaneous income in FY2014.

Selling and distribution expenses

For FY2015 as compared to FY2014 and 4Q2015 as compared to 4Q2014, our selling and distribution expenses decreased by RMB45,000 and RMB9,000 respectively. These were mainly due to depreciation expenses not being charged to selling and distribution expenses for FY2015.

General and administrative expenses

For FY2015 as compared to FY2014 and 4Q2015 as compared to 4Q2014, our general and administrative expenses decreased by RMB197.1 million and RMB154.3 million respectively. This was mainly due to the various impairments made in 4Q2014 as detailed below and previously disclosed in our FY2014 results announcement dated 28 February 2015.

(In RMB' 000)	FY2015	FY2014	(Decrease)
Allowance for impairment of property, plant and equipment	-	123,013	(123,013)
Allowance for impairment of trade receivables	-	13,377	(13,377)
Allowance for impairment of advances to suppliers	-	22,086	(22,086)
Allowance for impairment of deposit paid for property, plant and equipment	-	22,396	(22,396)
Inventories written down	-	4,256	(4,256)
Total	-	185,128	(185,128)

Loss before income tax

Our loss before income tax decreased by 196.7 million or 89.0% for FY2015 as compared to FY2014. Our loss before income tax decreased by RMB152.6 million or 96.7% for 4Q2015 as compared to 4Q2014. 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 FY2015 and FY2014 as there were no revenue generating activities.

Review of financial position of the Group as at 31 December 2015

Current assets

As at 31 December 2015, 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. The increase of RMB19.4 million in “Assets held for sale” from RMB39.4 million as at 31 December 2014 to RMB58.8million as at 31 December 2015 was due to the reclassification of the property, plant and equipment of RMB5.3 million and intangible assets consisting of land use rights of RMB14.1 million located at Hanshou plant from non-current assets to “Assets held for sale” in FY2015.

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 the cities. Production has continued to halt in the 3 plants and the management has plans to dispose the 3 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

The decrease in the non-current assets of RMB19.4 million as at 31 December 2015 was due to the classification of land use rights with net book value of RMB14.1 million and property, plant and equipment with net book value of RMB5.3 million of Hanshou plant to “Assets held for sale.”

Current liabilities

Our current liabilities comprised other payables and income tax payable. As at 31 December 2015, total current liabilities were RMB81.0 million. The increase in current liabilities of RMB23.6 million or 41.1% from RMB57.4 million as at 31 December 2014 to RMB81.0 million as at 31 December 2015 was due to the increase in other payables arising mainly from the accrual of staff related costs.

As at 31 December 2015, the liabilities of disposal group classified as held for sale were RMB67.0 million. The increase of RMB39.3 million from RMB27.7 million as at 31 December 2014 to RMB67.0 million as at 31 December 2015 was due to the reclassification of the liabilities of the subsidiary in the Hanshou plant of RMB25.3 million (consisting of other payables and current income tax liabilities) to liabilities of disposal group classified as held for sale. In addition, there were an increase of RMB14.0 million in other payables in Miluo and Xiangyin plants.

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 the cities. As such, the liabilities of these two subsidiaries operating in the 2 plants

amounting to RMB41.7 million were under “liabilities directly associated with disposal group classified as held for sale”. Production has continued to halt in the 3 plants and the management has plans to dispose the 3 plants in the coming months. As such, the liabilities of the 3 plants were classified to “liabilities of disposal group classified as held for sale” under current liabilities.

As at 31 December 2015, other payables comprised mainly accruals and other payables amounting to RMB6.7 million, and amount due to shareholders of RMB7.3 million. The increase was due to timing differences in payments made to the other creditors and advances from shareholders.

Provision for tax decreased from RMB12.8 million as at 31 December 2014 to nil as at 31 December 2015 as the tax provision for Hanshou plant was classified to “liabilities directly associated with disposal group classified as held for sale”.

Total shareholders' equity

Total shareholders' equity as at 31 December 2015 amounted to approximately deficit of RMB22.3 million and comprised mainly share capital of RMB216.8 million and statutory reserve of RMB72.0 million and currency translation reserve of RMB0.7 million, offset by restructuring reserve of RMB102.8 million and accumulated losses of RMB208.8 million.

Review of cash flow statement for FY015

For FY2015, the Group has a net cash outflow of RMB79,000 due to net cash used in operating activities.

For 4Q2015, 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 2015.

13. Interested person transactions

There were no interested person transactions entered for the year ended 31 December 2015 and for the year ended 31 December 2014. 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 2015, the Group's three 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 plants for FY2015 and hence no sales revenue was generated in FY2015. 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. The management also considered 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		
	FY2015	FY2014	Increase/ (decrease)
	RMB'000	RMB'000	%
(a) Sales reported for first half year	-	-	N.M
(b) Operating loss after tax before deducting minority interests reported for first half year	(12,592)	(15,385)	(18.1)
(c) Sales reported for second half year	-	-	N.M
(d) Operating loss after tax before deducting minority interests reported for second half year	(11,628)	(205,502)	(94.3)

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

Cai Jian Hua
Executive Chairman and Executive Director
29 February 2016