CHINA FIBRETECH LTD.

(Company Registration No. 40381)
(Incorporated in Bermuda)

FINANCIAL STATEMENTS AND DIVIDEND ANNOUNCEMENT FOR THE FULL YEAR ENDED 31 DECEMBER 2015

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), 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.

Consolidated statement of comprehensive income for the Group

The Group	4Q 31 December			Year ended 31 December		
	2015	2014	Change	2015	2014	Change
	RMB'000 (Unaudited)	RMB'000 (Unaudited)	%	RMB'000 (Unaudited)	RMB'000 (Audited)	%
Revenue	16,895	18,344	-7.9%	64,333	66,000	-2.5%
Cost of sales	(14,086)	(15,481)	-9.0%	(52,437)	(57,226)	-8.4%
Gross profit	2,809	2,863	-1.9%	11,896	8,774	35.6%
Other income	863	32,864	-97.4%	3,041	34,918	-91.3%
Selling and distribution expenses	(194)	(221)	-12.2%	(715)	(833)	-14.2%
Administrative expenses	(1,396)	(5,536)	-74.8%	(5,416)	(11,221)	-51.7%
Other operating expenses	(4,723)	(18,040)	-73.8%	(5,510)	(20,675)	-73.3%
Finance cost	(238)	(274)	-13.1%	(1,038)	(1,172)	-11.4%
(Loss)/profit before taxation	(2,879)	11,656	-124.7%	2,258	9,791	-76.9%
Income tax expense	(176)	(7,438)	-97.6%	(757)	(7,807)	-90.3%
(Loss)/profit for the period/year	(3,055)	4,218	-172.4%	1,501	1,984	-24.3%
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss)/income for the period/year	(3,055)	4,218	-172.4%	1,501	1,984	-24.3%

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

The Group's (loss)/profit before taxation is arrived at after charging/(crediting):

The Group	4Q 31 December		Year ended 31 December	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Unaudited)	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited)
Amortisation of land use rights	15	16	61	253
Depreciation of property, plant and equipment	831	2,057	3,283	9,248
Depreciation of investment properties	-	38	-	376
Gain on disposal of property, plant and equipment (net)	-	(32,554)	(105)	(32,467)
Share-based compensation expense	-	69	-	69
Interest income	(863)	(399)	(2,936)	(1,505)
Foreign exchange gain	14	-	50	47
Cost of inventories recognised as expense	5,769	6,090	20,722	23,132
Utilities expense	5,652	5,629	21,542	19,843
Directors' fee – directors of the Company	122	135	503	558
Staff costs	2,501	2,686	8,759	11,940
Interest expense	238	274	1,038	1,172

1(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.

Statements of financial position

	The Group		The Company	
	31 December 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000	31 December 2015 (Unaudited) RMB'000	31 December 2014 (Audited) RMB'000
Assets and Liabilities				
Non-current assets				
Property, plant and equipment	26,055	20,765	-	-
Land use rights	2,366	2,427	-	-
Investment properties	-	-	-	-
Investment in subsidiaries	-	-	102,370	102,370
Due from a subsidiary	-	-	79,898	79,898
	28,421	23,192	182,268	182,268
Current assets				
Inventories	816	697	-	-
Trade receivables	10,698	14,188	-	-
Prepayment and other receivables	20,687	22,486	120	143
Due from a subsidiary	-	-	15,339	16,735
Cash and bank balances	450,127	456,149	23	143
	482,328	493,520	15,482	17,021
Current liabilities				
Trade payables	2,335	2,298	-	-
Accruals and other liabilities	6,093	6,333	1,286	846
Interest-bearing bank borrowings	12,900	12,900	-	-
Income tax payable	177	7,438	-	-
Amount due to a subsidiary	-	-	4,796	4,481
	21,505	28,969	6,082	5,327
Net current assets	460,823	464,551	9,400	11,694
Net assets	**489,244**	**487,743**	**191,668**	**193,962**
Equity				
Share capital	135,773	135,704	135,773	135,704
Reserves	353,471	352,039	55,895	58,258
Total equity	**489,244**	**487,743**	**191,668**	**193,962**

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

Amount repayable in one year or less, or on demand

As at 31 December 2015		As at 31 December 2014	
Secured	Unsecured	Secured	Unsecured
RMB'000	RMB'000	RMB'000	RMB'000
12,900	-	12,900	-

Details of any collateral

The Group's bank loans were secured by certain of the Group's leasehold buildings with an aggregate carrying value of approximately RMB6,702,000 as at 31 December 2015 (31 December 2014: RMB7,136,000), land use rights with an aggregate carrying value of approximately RMB2,366,000 as at 31 December 2015 (31 December 2014: RMB2,427,000).

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

Consolidated statement of cash flows for the Group

	Year ended 31 December	
	2015 RMB'000 (Unaudited)	2014 RMB'000 (Audited)
Cash flows from operating activities		
Profit before taxation	2,258	9,791
Adjustments for :		
Amortisation of land use rights	61	253
Depreciation of property, plant and equipment	3,283	9,248
Depreciation of investment properties	-	376
Gain on disposal of plant and machinery (net)	(105)	(32,467)
Provision of impairment on property, plant and equipment	-	17,468
Provision of doubtful debts	4,477	-
Write-back of provision for social security insurance and housing fund	(2,034)	(1,768)
Share-based compensation expense	-	69
Interest income	(2,936)	(1,505)
Interest expenses	1,038	1,172
Operating profit before working capital changes	6,042	2,637
(Increase)/decrease in inventories	(119)	261
(Increase)/decrease in trade receivables	(987)	1,370
Decrease/(increase) in prepayments and other receivables	1,799	(1,999)
Increase/(decrease) in trade payables	37	(562)
Increase in accruals and other liabilities	1,794	988
Cash generated from operations	8,566	2,695
Interest paid	(1,038)	(1,172)
Inerest received	2,936	1,505
Income tax paid	(8,018)	(665)
Net cash generated from operating activities	2,446	2,363
Cash flows from investing activities		
Acquisition and construction of property, plant and equipment	(8,573)	(4,972)
Proceeds from disposal of plant and machinery	105	48,708
Net cash (used in)/generated from investing activities	**(8,468)**	**43,736**
Cash flows from financing activities		
Bank loans obtained	12,900	12,900
Repayment of bank loans	(12,900)	(50,400)
Acquisition of treasury shares	-	(17)
Net cash used in financing activities	**-**	**(37,517)**
Net (decrease)/increase in cash and cash equivalents	**(6,022)**	**8,582**
Cash and cash equivalents at the beginning of the financial year	456,149	447,567
Cash and cash equivalents at the end of the financial year	**450,127**	**456,149**

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.

Statement of changes in equity for the Group

The Group	<---------- Attributable to equity holders of the Company ---------->								
	Share capital	Treasury shares	Share premium	Share-based payment reserve	Capital reserve	Statutory reserve	Merger reserve	Retained profits	Total Equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2014	135,635	(18)	79,908	69	4,403	15,000	(102,287)	352,997	485,707
Equity-settled share-based payment expenses	-	-	-	69	-	-	-	-	69
Issue of shares under equity-settled transactions	69	-	-	(69)	-	-	-	-	-
Purchase of treasury shares	-	(17)	-	-	-	-	-	-	(17)
Total comprehensive profit for the year	-	-	-	-	-	-	-	1,984	1,984
Balance at 31 December 2014 (Audited)	**135,704**	**(35)**	**79,908**	**69**	**4,403**	**15,000**	**(102,287)**	**354,981**	**487,743**
Balance as at 1 January 2015	135,704	(35)	79,908	69	4,403	15,000	(102,287)	354,981	487,743
Issue of shares under equity-settled transactions	69	-	-	(69)	-	-	-	-	-
Total comprehensive profit for the year	-	-	-	-	-	-	-	1,501	1,501
Balance at 31 December 2015 (Unaudited)	**135,773**	**(35)**	**79,908**	**-**	**4,403**	**15,000**	**(102,287)**	**356,482**	**489,244**

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.

Statement of changes in equity for the Company

The Company	Share capital	Treasury share	Share premium	Share-based payment reserve	Accumulated losses	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 January 2014	135,635	(18)	79,908	69	(18,735)	196,859
Equity-settled share-based payment expenses	-	-	-	69	-	69
Issue of shares under equity-settled transactions	69	-	-	(69)	-	-
Purchase of treasury shares	-	(17)	-	-	-	(17)
Total comprehensive loss for the year	-	-	-	-	(2,949)	(2,949)
Balance at 31 December 2014 (Audited)	**135,704**	**(35)**	**79,908**	**69**	**(21,684)**	**193,962**
Balance as at 1 January 2015	**135,704**	**(35)**	**79,908**	**69**	**(21,684)**	**193,962**
Issue of shares under equity-settled transactions	69	-	-	(69)	-	-
Total comprehensive loss for the year	-	-	-	-	(2,294)	(2,294)
Balance at 31 December 2015 (Unaudited)	**135,773**	**(35)**	**79,908**	**-**	**(23,978)**	**191,668**

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.

Pursuant to an SGM of the Company held on 29 April 2015, the Company has completed the consolidation of every fifty existing issued ordinary shares in the capital of the Company held by shareholders of the Company into one ordinary share effective as at 9.00 am on 29 May 2015. As a result of the completion of the share consolidation exercise, the number of ordinary shares, including treasury shares, of the Company is now 8,979,791.

There are no changes in the issued and paid-up share capital of the Company since 29 May 2015.

There were no convertible shares issued by the Company as at 31 December 2015.

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 December 2015	As at 31 December 2014
Number of ordinary shares in issue	8,979,791	448,709,625
Less: Ordinary shares kept as treasury shares	(4,000)	(200,000)
Number of ordinary shares excluding treasury shares	8,975,791	448,509,625

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 year reported on.

There is no sales, transfers, disposal, cancellation and / or use of treasury shares by the Company as at 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 or reviewed by the Company's auditors.

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

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 has adopted all the new or revised Singapore Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are mandatory for financial years beginning on or after 1 January 2015.

The accounting policies and methods of computation are consistent with the latest audited 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.

The Group has adopted all new and revised Financial Reporting Standards (FRS) and Interpretations of FRS (INT FRS) that are relevant to its operations and effective for annual periods beginning on or after 1 January 2015. The adoption of these new/revised FRS and INT FRS does not result in substantial change to the Group's and Company's accounting policies or have any significant impact on the financial statements.

6. Earnings per ordinary share of the group for the current financial year reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Basic and Diluted Earnings Per Share

	3 months ended 31 December		12 months ended 31 December	
	2015	2014 (Restated)*	2015	2014 (Restated)*
Net profit/(loss) attributable to equity holders of the Company (RMB'000)	(3,055)	(417)	1,501	(2,234)
Basic				
Weighted average number of ordinary shares in issue ('000)	8,976	8,972	8,974	8,971
Earnings/(Loss) per share (RMB)	(0.34)	(0.05)	0.17	(0.25)
Diluted				
Weighted average number of ordinary shares in issue ('000)	8,976	8,986	8,974	8,983
Earnings/(Loss) per share (RMB)	(0.34)	(0.05)	0.17	(0.25)

*For meaningful comparison, the weighted average number of ordinary shares in issue of 4Q2014 and 12 months 2014 was restated to reflect the effects of share consolidation during the financial year.

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.

	The Group		The Company	
	As at 31 December 2015 (Unaudited)	As at 31 December 2014 (Audited) (Restated)*	As at 31 December 2015 (Unaudited)	As at 31 December 2014 (Audited) (Restated)*
Net asset value per ordinary share (RMB)	54.5	54.4	21.4	21.6
Number of issued ordinary shares excluding treasury share as at end of the period	8,975,791	8,970,191	8,975,791	8,970,191

*For meaningful comparison, the number of ordinary shares as at 31 December 2014 was restated to reflect the effects of share consolidation during the financial year.

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.

Review of Financial Performance

Revenue

The Group recorded revenue of RMB64.3 million for year ended 31 December 2015 ("FY2015"), a decrease of 2.5% compared to RMB66.0 million for year ended 31 December 2014 ("FY2014"). On a quarterly review, the revenue for three months ended 31 December 2015 ("4Q2015") had decreased to RMB16.9 million as compared to RMB18.3 million for three months ended 31 December 2014 ("4Q2014"). The decrease in revenue was mainly due to:

i) Decrease in fabric processed from 8,416 tonnes in FY2014 to 8,143 tonnes in FY2015 as a result of lower demand from our customers during the period while offset against the impact of;

ii) Increase in average fabric processing fee from RMB7,842 per tonne in FY2014 to RMB7,901 per tonne in FY2015. Changes in product mix had also contributed to higher average processing fees due to higher proportion of cotton processed during the period which commands a higher processing fee.

Review of Financial Performance (cont'd)

Revenue (cont'd)

On a quarterly review, the revenue for three months ended 31 December 2015 ("4Q2015") had decreased to RMB16.9 million as compared to RMB18.3 million for three months ended 31 December 2014 ("4Q2014"). The decrease in revenue was mainly due to:

- Decrease in the fabric processed from 2,328 tonnes in 4Q2014 to 2,104 tonnes in 4Q2015 as a result of lower demand from our customers during the period while offset against the impact of;

- Increase in average fabric processing fee from RMB7,880 per tonne in 4Q2014 to RMB8,029 per tonne in 4Q2015. Changes in product mix had also contributed to higher average processing fees due to higher proportion of cotton and spandex processed during the period which commands a higher processing fee.

Gross profit and gross profit margin

Our gross profit increased from RMB8.8 million in FY2014 to RMB11.9 million in FY2015.

Gross profit margin increased from 13.3% in FY2014 to 18.5% in FY2015 due to decrease in depreciation charge from RMB9.2 million in FY2014 to RMB3.3 million in FY2015 as a result of impairment of property, plant and equipment provided in FY2014. This impairment has resulted in lower depreciation charge in subsequent periods.

Other income

Other income decreased by 91.3% from RMB34.9 million in FY2014 to RMB3.0 million in FY2015 mainly due to gain from disposal of Xiamen's land and properties amounting to RMB32.5 million recorded in Q42014 while offset against the impact of increase in interest income due to fixed deposits totalling of RMB200 million being placed in FY2015 .

Selling and distribution expenses

Selling and distribution expenses decreased by 14.2% from RMB0.8 million in FY2014 to RMB0.7 million in FY2015. The decrease was mainly due to decrease in staff cost by RMB60,000 as a result of reduction in number of staff.

Review of Financial Performance (cont'd)

Administrative expenses

Administrative expenses decreased by 51.7% from RMB11.2 million in FY2014 to RMB5.4 million in FY2015. The decrease was mainly due to the followings:

- Decrease in amortisation of land use rights, rental related expenses and depreciation charge of investment properties by RMB192,000, RMB268,000 and RMB376,000 respectively as a result of the disaposal of our Xiamen land and investment properties in FY2014.

- Decrease in other taxes by RMB3,910,000 in relation to the disposal of our Xiamen land and investment properties in FY2014.

- Decrease in professional fees by RMB159,000 mainly due to expenses incurred in relation to the disposal of our Xiamen land and investment properties in FY2014 and decrease in audit fee by RMB226,000 in relation to change of auditor in FY2015.

- Decrease in staff cost by RMB481,000 as a result of reduction in number of staff.

- Decrease in director remuneration by RMB55,000 due to resignation of two directors in FY2015.

Other operating expenses

Other operating expenses decreased by 73.3% from RMB20.7 million in FY2014 to RMB5.5 million in FY2015. The decrease was mainly due to provision of impairment on property, plant and equipment amounting to RMB17.5 million in FY2014 while offseting the impact of provision of doubtful debts amounting to RMB4.5 million provided in Q42015.

Other than provision of impairment on property, plant and equipment and provision of doubtful debts, other operating expenses included unallocated overheads amounting to RMB3.2 million in FY2014 and RMB1.0 million in FY2015. As explained in our full year financial statement announcement for FY2013, the unallocated overheads refers to reclassification of depreciation expenses for plant and machinery from production cost in accordance to FRS 2 (inventories) note 13 on "Cost of conversion" in order to accurately reflect the Group's gross profit margin during the period.

The decrease in unallocated overheads by 67.8% when compared to prior year was due to decrease in depreciation charged during the period as a result of impairment of property, plant and equipment provided in FY2014.

Finance cost

Decrease in finance cost by 11.4% from RMB1.2 million in FY2014 to RMB1.0 million in FY2015 was due to decrease in loan interest expenses as a result of repayment of bank borrowings in 1Q2014.

Income tax expense

Income tax expenses of RMB0.8 million derived from profit generated by our China subsidiary in Shishi, Fujian Province during the year.

Review of Financial Position

Property, plant and equipment increased from RMB20.8 million as at 31 December 2014 to RMB26.1 million as at 31 December 2015, mainly attributed by the following:

- Depreciation charge of RMB3.3 million in FY2015.
- Acquisition of new machinery amounting to RMB8.6million in FY2015

Land use rights decreased from RMB2.4 million as at 31 December 2014 to RMB2.3 million as at 31 December 2015 due to amortisation of land use rights of RMB0.1 million during the financial year.

Inventories which consist of dyeing materials, additives and packaging materials increased slightly from RMB0.7 million as at 31 December 2014 to RMB0.8 million as at 31 December 2015 due to purchases made for future orders.

Trade receivables decreased from RMB14.2 million as at 31 December 2014 to RMB10.7 million as at 31 December 2015. The decrease of 24.6% was due to provision of doubful debts amountinng to RMB4.5 million recorded in 4Q2014. Trade receivables are within the credit term of 60 days as at 31 December 2015 except for trade receivables from three claimants in relation to the claims by customers as announced on 30 November 2015..

Prepayment and other receivables increased from RMB22.5 million as at 31 December 2014 to RMB 20.7 million as at 31 December 2015 due to prepayment of RMB2.0 million made to PPE supplier as a result of completion of installation and reconstruction of a boiler system during the period.

Cash and bank balances decreased from RMB456.1 million as at 31 December 2014 to RMB450.1 million as at 31 December 2015. The decrease was mainly attributable to cash used in investing activities. On 31 December 2015 and 1 February 2016, the Group rolled over fixed deposits totalling of RMB200 million with RMB100 million each for another 3-month at an interest rate of 1.35% per annum.

There was no significant movement in trade payables as at 31 December 2014 as compared to financial year ended 31 December 2015.

There was no significant movement in accrued and other liabilities as at 31 December 2014 as compared to financial year ended 31 December 2015.

There was no significant movement in bank borrowings as at 31 December 2014 as compared to financial year ended 31 December 2015.

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

Based on our disclosure in the 4Q2014, 1Q2015, 1H2015 and 9M2015 announcements pertaining to a challenging business outlook in second half of FY2015, the management noted no variance between the actual results of 4Q2015 and the prospect statement disclosed to shareholders in the 1H2015 and 9M2015 results announcement.

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.

Based on the result obtained in 9M2015 and the Group's experience with our order books on hand, the Group expects a challenging 2016 for its dying business.

The China textile industry is fraught with uncertain as output had been slow due to domestic factors and weak recovery from the international market. The effect of various domestic factors such as rising costs from cotton prices and labor costs, has a direct and/or indirect effect on our customers and consequently in their demand for our service.

Shareholders are advised to refer to the Company's announcements in relation to the update of potential customers' claims and auditors' findings.

11. Dividend

(a) Current Financial Year Reported On

None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(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/recommended for the year ended 31 December 2015.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. 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.

Business segment
As the Group operates principally in a single business segment which is the provision of dyeing and post-processing treatment services for fabrics, no reporting by business operations is presented.

Geographical segment
As the business of the Group is engaged entirely in the PRC, no reporting by geographical location of operations is presented

14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.

As disclosed in Paragraph 8.

15. A breakdown of sales

The Group	FY2015 RMB'000 (Unaudited)	FY2014 RMB'000 (Unaudited)	Changes %
(a) Sales reported for first half year	29,124	29,534	-1.4%
(b) Profit/(loss) attributable to shareholders reported for first half year	2,652	(1,817)	246.0%
(c) Sales reported for second half year	35,209	36,466	-3.5%
(d) (Loss)/profit attributable to shareholders reported for second half year	(1,151)	3,801	-130.3%

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

The Group and Company	FY2015 RMB'000	FY2014 RMB'000
Ordinary		
- Interim	-	-
- Final	-	-
Preference	N/A	N/A
TOTAL	-	-

17. Interested Person Transactions

The Group does not have any general mandate from shareholders for Interested Person Transactions. No interested person transactions exceeding S$100,000 has been entered into by the Group for the year ended 31 December 2015.

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 held	Details of changes in duties and position held, if any,during the year
Wu Dezhi	69	Uncle of Mr Wu Xinhua, Executive Chairman and Chief Executive Officer of the Company	Non-executive director, appointed since 15 June 2009.	Not applicable.
Wu Xinda	28	1. Son of Mr Wu Xinhua, Executive Chairman and Chief Executive Officer of the Company; and 2. Grandnephew of Mr Wu Dezhi, Non-Executive Director of the Company.	Deputy General Manager for Administration, appointed since 1 March 2011.	Not applicable.

19. Confirmation by the Board Pursuant to Rule 705(5) of SGX Listing Manual

The Directors confirmed that, to the best of their knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial information of the Company or the unaudited consolidated financial information of the Group for the fourth quarter and full year ended 31 December 2015 to be false or misleading in any material respect.

20. Confirmation by the Board Pursuant to Rule 720(1) of SGX Listing Manual

The Company confirms that undertakings under Rule 720(1) have been obtained from all its directors and executive officers in the format set out in form Appendix 7.7.

21. Use of IPO proceeds

As at the date of this announcement, the net proceeds from the Company's initial public offering has been utilised as follows:

Use of IPO proceeds	Amount allocated S$'000	Amount utilized S$'000	Balance S$'000
To construct new facilities and acquire new machinery	14,000	11,300	2,700
To expand our research and development capabilities	1,000	1,000	-
For working capital purpose	1,282	1,282	-
	16,282	13,582	2,700

On behalf of the Board of Directors

Wu Xinhua
Executive Chairman and CEO

19 July 2016