

8TELECOM INTERNATIONAL HOLDINGS CO. LTD.

(Registration No. 34713)

(Incorporated in Bermuda)

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 PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
(RMB'000)**

For the year ended 31 December 2016

	<u>Group</u> Year ended 31 December		
	<u>2016</u>	<u>2015</u>	<u>+/(-) %</u>
<u>Continuing operations</u>			
Revenue	52	536,604	(99.99)
Cost of sales	(7)	(436,736)	100.0
Gross profit	<u>45</u>	<u>99,868</u>	(99.95)
Other operating income	-	10,443	(100)
Selling expenses	(392)	(17,307)	(97.74)
Administrative expenses	(7,244)	(67,950)	(89.29)
Finance costs	(31)	(13,207)	(100)
Profit (loss) before other losses	<u>(7,622)</u>	<u>11,847</u>	(164.24)
Share of (loss) of associated company	(10,887)	-	
Loss on disposal of subsidiaries	(102,575)	1,200	(8,648)
Reclassification of asset revaluation reserve	20,692	-	Nm
Other gain or (loss)	1,124	-	Nm
(Loss)/profit before Tax	<u>(99,268)</u>	<u>13,047</u>	860.77
Income tax expense	-	(4,867)	-
Profit from continuing operations	<u>(99,268)</u>	<u>8,180</u>	(1,313)
Discontinued operations		-	
Loss from discontinued operations	(12,689)	-	(100)
Total (loss)/profit	(111,957)	8,180	(146.9)
Profit attributable to:			
Equity holders of the Company	(110,471)	8,180	(145.1)
Non-controlling interests	<u>(1,486)</u>	<u>-</u>	100
	<u>(111,957)</u>	<u>8,180</u>	(146.9)

Discontinued Operations (Note A)

(Loss) for the period from discontinued operations	(12,689)	-	100%
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(Loss) for the period, representing total comprehensive (loss) the period, attributable to equity holders of the company
Nm: not meaningful

(12,689)	-	100%
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Note A - Discontinued operations

On 15 March 2016, the Company obtained shareholders' approval at the Special General Meeting ("SGM") for the Proposed Disposal of the Company's entire interests in its two wholly-owned subsidiaries, East Jade International Limited and Aim Tech Network Investment Limited ("Disposal Group") to Manfaith Investments Ltd. for a consideration of RMB420 million.

The Company has completed the disposal of the entire interest in the Disposal Group on 21 July 2016. Pursuant to the Completion, an amount equivalent to the cash consideration has been paid by the purchaser.

Discontinued operations (RMB'000)

	<u>Group</u>		
	<u>Year ended 31 December</u>		
	<u>2016</u>	<u>2015</u>	<u>+/(-) %</u>
Revenue	218,904	536,604	(59.21)
Cost of sales	(186,242)	(436,736)	57.36
Gross profit	32,662	99,868	(67.29)
Other operating income	3,502	10,443	66.47
Changes in fair value of futures contracts and other financial assets	-	1,200	100%
Selling expenses	(10,764)	(17,307)	37.81
Administrative expenses	(30,547)	(64,726)	52.81
Finance costs	(7,243)	(13,185)	45.07
(Loss) / Profit before income tax	(12,390)	16,293	(176.04)
Income tax credit (expense)	(299)	(4,867)	(93.86)
Net (loss) / profit after income tax from discontinued operations	(12,689)	11,426	(211.05)

1(a)(ii) Profit before income tax was arrived at after (crediting) charging the following (RMB'000):

	Group		
	Year ended 31 December		
	<u>2016</u>	<u>2015</u>	<u>+/(-) %</u>
<u>Continuing operations</u>			
Finance cost	31	10	(30)
Net foreign exchange loss (gain)	1,124	(500)	(103.4)
<u>Discontinued operations</u>			
Allowance for doubtful trade receivables	587	2,867	(79.53)
Depreciation and amortisation expense	4,926	8,142	(39.50)
Finance cost	5,841	13,207	(55.77)
Interest income	(577)	(5,775)	(90.01)
Loss on disposal of plant and equipment	-	1,784	(100.00)
(Gain) Loss on fair valuation of investment properties	-	(714)	(100.00)
Interest on notes receivable	-	4,542	(100.00)
Government grants	(2,755)	(4,628)	(40.47)
Research costs	9,459	34,276	(72.40)
Net foreign exchange loss (gain)	-	45	(100.00)

Nm: not meaningful.

STATEMENT OF FINANCIAL POSITION (RMB'000)

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.

As at 31 December 2016

	As at 31/12/2016	Group As at 31/12/2015	+/(-) %	As at 31/12/2016	Company As at 31/12/2015	+/(-) %
ASSETS						
Current assets:						
Cash and bank balances	2,631	211,332	(98.76)	63	474	(86.71)
Trade receivables	56	102,087	(99.95)	-	-	-
Amount due from subsidiaries	-	-	-	256	127,166	(99.80)
Other receivables and prepayments	129	34,547	(99.63)	64	361	(82.27)
Construction contracts	-	80,296	(100)	-	-	-
Inventories	-	14,816	(100)	-	-	-
Property under development	-	545,946	(100)	-	-	-
Total current assets	2,816	989,024	(99.72)	383	128,001	(99.70)
Non-current assets:						
Investment in subsidiaries	-	-	-	9	60,000	(99.99)
Investment properties	-	195,304	(100)	-	-	-
Derivative financial instrument	-	9,782	(100)	-	9,782	(100)
Property, plant and equipment	514	87,401	(99.41)	-	-	-
Prepayments	33	20,838	(99.84)	-	-	-
Intangible assets	-	658	100%	-	-	-
Total non-current assets	547	313,983	(99.83)	9	69,782	(99.99)
Total assets	3,363	1,303,007	(99.74)	392	197,783	(99.80)
LIABILITIES AND EQUITY						
Short-term bank borrowings	-	317,500	(100)	-	-	Nm
Trade payables	-	72,715	(100)	-	-	Nm
Amount due to subsidiaries	-	-	-	8	214	(96.26)
Other payables and accrued expenses	18,625	108,837	(82.89)	11,984	1,313	812.6
Income tax payable	-	939	(100)	-	-	-
Provision for land appreciation tax	-	34,055	(100)	-	-	-
Total current liabilities	18,625	534,046	(96.51)	11,992	1,527	684.6

	<u>As at</u> <u>31/12/2016</u>	<u>Group</u> <u>As at</u> <u>31/12/2015</u>	<u>+ / (-) %</u>	<u>As at</u> <u>31/12/2016</u>	<u>Company</u> <u>As at</u> <u>31/12/2015</u>	<u>+ / (-) %</u>
Non-current liabilities						
Other payables	-	9,782	(100)	-	9,782	Nm
Long-term bank loans	-	168,181	(100)	-	-	-
Deferred tax liabilities	-	57,648	(100)	-	-	-
Total non-current liabilities	-	235,611	(100)	-	9,782	Nm
Equity						
Capital and reserves						
attributable to equity holders of the Company						
Share capital	794	79,369	(99)	794	79,369	(99)
Treasury shares	(129)	(12,883)	(99)	(129)	(12,883)	(99)
Other reserves	1,525	200,888	(99)	1,527	120,101	(99)
Retained (losses)/profits	(15,697)	265,976	(106)	(13,792)	(113)	12105
	(13,507)	533,350	(97)	(11,600)	186,474	(106)
Non-controlling interests	(1,755)	-	100	-	-	-
Total equity	(15,262)	533,350	(102.9)	(11,600)	186,474	(106.2)
Total liabilities and equity	3,363	1,303,007	(99.74)	392	197,783	(99.80)

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

Discontinued operations

Amount repayable in one year or less, or on demand as at 31 December 2016

<u>As at 31 December 2016</u>		<u>As at 31 December 2015</u>	
<u>RMB'000</u>		<u>RMB'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
-	-	315,191	9,400

Amount repayable after one year

<u>As at 31 December 2016</u>		<u>As at 31 December 2015</u>	
<u>RMB'000</u>		<u>RMB'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
-	-	123,981	44,200

Details of any collateral

	<u>As at 31</u> <u>December</u> <u>2016</u>	<u>As at 31</u> <u>December</u> <u>2015</u>
Secure by fixed deposits	-	49,057
Secured by land use right	-	21,354
Secured by investment properties	-	195,304
Secured by properties under development	-	545,946
Secured by building	-	51,929

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 (RMB'000)
For the year ended 31 December 2016

	Group	
	<u>2016</u>	<u>2015</u>
Operating activities:		
(Loss) / Profit before income tax:	(111,957)	13,047
- Discontinued operations	(12,689)	-
- Continuing operations	(99,268)	-
Adjustment for:		
Depreciation and amortization expense	98	7,767
Finance costs	31	-
Reclassification of asset revaluation reserve	(20,692)	-
Interest income	-	(5,775)
Exchange differences	1,194	-
Gain on fair valuation of investment properties	-	(714)
Share of loss of associated company	10,886	-
Allowance for doubtful trade receivables	-	2,854
Changes in fair value of other financial assets	-	(486)
Loss on disposal of subsidiaries	102,575	-
Operating (loss) / profit before working capital changes	(17,865)	29,900
Trade receivables	(56)	35,558
Other receivables and prepayments	(98)	21,751
Construction contracts	-	(10,760)
Inventories	-	30,937
Properties under development	-	(130,170)
Trade payables	7	(42,013)
Other payables and accrued expenses	-	2,267
Cash used in operations	(18,012)	(62,530)
Interest received	-	5,775
Interest paid	-	(28,059)
Income tax paid	-	(5,892)
Net cash used in operating activities	(18,012)	(90,706)
Investing activities		
Acquisition of subsidiary	2,393	-
Addition of financial asset at fair value through profit or loss	-	(872)
Advances to a related party	-	(14,270)
Repayment of advances by a related party	-	14,270
Proceeds from disposal of plant and equipment	-	2,479
Proceed from disposal of land use rights	-	516
Disposal of subsidiaries, net of cash disposed of	271,949	-
Purchase of property, plant and equipment	(507)	(10,005)
Net cash generated from investing activities	273,835	56,945

**CONSOLIDATED STATEMENT OF CASH
FLOWS (RMB'000)
For the financial year ended 31 December 2016**

	Group	
	<u>2016</u>	<u>2015</u>
Financing activities		
Repayments of short-term bank borrowings	-	(500,160)
Increase in short-term bank borrowings	-	407,700
Increase in long-term bank loans	-	124,382
Advances from a related party	-	61,284
Repayment of advances to a related party	-	(61,284)
Dividends paid	(231,297)	(5,594)
Capital reduction	(184,395)	-
Pledged fixed deposits	-	61,710
Net cash (used in) / from financing activities	(415,692)	162,275
Net (decrease) / increase in cash and cash equivalents	(159,869)	54,277
Cash and cash equivalents at beginning of period	162,275	107,998
Effects of currency translation on cash and cash equivalents	(1)	-
Cash and cash equivalents at end of period (Note 1)	2,405	162,275

Note 1:

	Group	
	<u>2016</u>	<u>2015</u>
Cash and bank balances	2,631	211,332
Less: Fixed deposits pledged	(226)	(49,057)
Cash and cash equivalents at end of period	<u>2,405</u>	<u>162,275</u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

There was no change in the Company share capital during the third quarter ended 31 December 2016.

As at 31 December 2016, there were no share that may be issued on conversion of any outstanding convertibles or share option (2015: Nil)

	<u>Attributable to equity holders of the Company</u>										
	Share capital	Treasury shares	Share premium	Other reserve	Capital reserve	Share based payment reserve	Asset revaluation reserve	Accumulated losses	Foreign currency reserve	Non-controlling interest	Total equity
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
Group											
Beginning of financial year	79,369	(12,883)	118,574	71,020	(10,925)	1,527	20,692	265,976	-	-	533,350
Loss for the year	-	-	-	-	-	-	-	(110,471)	-	(1,486)	(111,957)
Other comprehensive income for the year	-	-	-	-	-	-	(20,692)	-	-	-	(20,692)
Total comprehensive income for the year	-	-	-	-	-	-	-	(110,471)	-	(1,486)	(132,649)
Capital Reduction	(78,575)	12,754	(118,574)	-	-	-	-	-	-	-	(184,395)
Dividend relating to 2015 payment	-	-	-	-	-	-	-	(231,297)	-	-	(231,297)
Disposal of subsidiaries	-	-	-	(71,020)	10,925	-	-	60,095	-	-	-
Translation of foreign subsidiaries	-	-	-	-	-	-	-	-	(2)	-	(2)
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	(269)	(269)
Total transactions with owners, recognized directly in equity	(78,575)	12,754	(118,574)	(71,020)	10,925	-	-	(171,202)	(2)	(269)	(415,963)
End of financial year	794	(129)	-	-	-	1,527	-	(15,697)	(2)	(1,755)	(15,262)

2015

	Share capital	Treasury shares	Share premium	Other reserve	Capital reserve	Share based payment reserve	Asset revaluation reserve	Retained profits	Total equity
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<u>Group</u> Beginning of financial year	79,369	(12,883)	118,574	66,864	(10,925)	1,527	20,692	267,546	530,764
Profit for the year	-	-	-	-	-	-	-	8,180	8,180
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	8,180	8,180
Transfer	-	-	-	-	4,156	-	-	(4,156)	-
Dividend paid	-	-	-	-	-	-	-	(5,594)	(5,594)
Total transactions with owners, recognized directly in equity	-	-	-	-	-	-	-	(5,594)	(5,594)
End of financial year	79,369	(12,883)	118,574	71,020	(10,925)	1,527	20,692	265,976	533,350

2016	Share capital	Treasury shares	Share premium	Share based payment reserve	Accumulated losses	Total equity
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<u>Company</u>						
Beginning of financial year	79,369	(12,883)	118,574	1,527	(113)	186,474
Profit for the year	-	-	-	-	217,618	217,618
Total comprehensive income for the year	-	-	-	-	217,618	217,618
Capital Reduction	(78,575)	12,754	(118,574)	-	-	(184,395)
Dividend relating to 2015 payment	-	-	-	-	(231,297)	(231,297)
Total transactions with owners, recognized directly in equity	(78,575)	12,754	(118,574)	-	(13,782)	(415,692)
End of financial year	794	(129)	-	1,527	(13,792)	(11,600)
2015	Share capital	Treasury shares	Share premium	Share based payment reserve	Retained profits	Total equity
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<u>Company</u>						
Beginning of financial year	79,369	(12,883)	118,574	1,527	18	186,605
Profit for the year	-	-	-	-	5,463	5,463
Total comprehensive income for the year	-	-	-	-	5,463	5,463
Dividend paid	-	-	-	-	(5,594)	(5,594)
Total transactions with owners, recognized directly in equity	-	-	-	-	(5,594)	(5,594)
End of financial year	79,369	(12,883)	118,574	1,527	(113)	186,474

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 of the issuer, 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.

As announced by the Company on 15 March 2016, the Proposed Capital Reorganisation was duly approved by the Shareholders at the Special General Meeting of the Company held on 15 March 2016. As announced on 22 July 2016, the Proposed Capital Reorganisation was completed on 23 July 2016.

The changes in the Company share capital during the third quarter ended were detailed in section 1(d)(i) and is in accordance to the Proposed Capital Reorganisation that was duly approved by the Shareholders on 15 March 2016 and was completed on 23 July 2016.

The number of ordinary shares held as treasury shares as at 31 December 2016 was 3,150,000 shares (31 December 2015: 3,150,000 shares).

As at 31 December 2016, there were no shares that may be issued on conversion of any outstanding convertibles or share option (2015: Nil).

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.

The total number of issued shares excluding treasury shares as at 31 December 2016 is 92,630,849 shares (31 December 2015: 92,630,849 shares).

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 were no sales, transfers, disposal, cancellation and/or use of treasury shares during the current financial period reported on.

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.

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 applied the same accounting policies and methods of computation in the unaudited financial statements for the current financial period as those of the audited financial statements for the for the year ended 31 December 2015, as well as all the applicable International Financial Reporting Standards (“IFRSs”) which became effective for the financial year beginning on or after 1 January 2016. The adoption of these new and revised IFRSs has no material effect on the unaudited financial statements for the current financial period.

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.

There have been no changes in accounting policies and methods of computation.

6. (Loss) 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.

	<u>2016</u>	<u>Group</u> <u>2015</u>
<u>Continuing operations</u>		
Basic EPS (RMB cents)	(1.07)	(1.20)
Diluted EPS (RMB cents)	(1.07)	(1.20)
<u>Discontinued operations</u>		
Basic EPS (RMB cents)	(0.14)	10.17
Diluted EPS (RMB cents)	(0.14)	10.17

The calculation of basic (loss) earnings per ordinary share for 2016 was based on 92,630,849 (2015: 92,630,849) ordinary shares in issued.

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.

	<u>Group</u>		<u>Company</u>	
	<u>31/12/2016</u>	<u>31/12/2015</u>	<u>31/12/2016</u>	<u>31/12/2015</u>
Net asset value per ordinary share (RMB cents)	(0.16)	575.78	(0.13)	201.31

Net asset value per share is based on the existing number of shares in issue of 92,630,849 ordinary shares (2015: 92,630,849 ordinary shares) as at 31 December 2016.

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 period 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 period reported on.

Consolidated Statement of Profit and Loss and Other Comprehensive Income

A breakdown of the Group’s revenue by product segments:

	Year ended 31 December		
	<u>2016</u>	<u>2015</u>	<u>+/(-)%</u>
	RMB'000	RMB'000	
<u>Discontinued operations</u>			
Revenue by business segments:			
Telecommunication pipes	17,291	41,003	(57.83)
Telecommunication & other towers	97,006	298,383	(67.49)
Telecommunication engineering services	101,441	188,835	(44.10)
Property	3,166	8,383	(62.23)
Total Revenue	218,904	536,604	(58.44)

Consolidated Statement of Profit and Loss and Other Comprehensive Income

Following the Disposal of the discontinued operations, the results of the discontinued operations are not accounted for in the Group accounts, this results in the decrease in revenue when comparing the individual business segments of the discontinued operations between year ended FY2016 and year ended FY2015 figures.

For the continuing operations, the Group has consolidated the results of its 51% subsidiary as of 1 August 2016, Arete M Pte. Ltd ("Arete M"), reflecting the management of 8Telecom has been actively involved in Arete M's operation following the disposal of the business of the discontinued operations.

The revenue of continuing operations consist of service rendered in relation to provision of networking solutions from August 2016 onwards.

The Group's total selling and administrative expenses and finance costs for continuing operations has decreased from RMB 85.3 million to RMB 7.7 million. This is due to the combined effect of disposal of the discontinued operations in China and the consolidation of Arete M since 1 August 2016.

The Group recorded total comprehensive loss of RMB 99.3 million as compared to total comprehensive income of RMB 8.2 million generated during the same period in 2015. This is due to loss incurred in the disposal of discontinued operations during the 2016 financial year.

Statement of Financial Position

Total assets amounted to RMB 3.36 million as at 31 December 2016, which comprised of RMB 2.82 million of current assets and RMB 0.54 million of non-current assets.

Total liabilities amounted to RMB 18.62 million as at 31 December 2016, which were all represented by current liabilities.

Consolidated Statement of Cash Flows

There was an outflow of RMB 18 million from operating activities for the year ended 31 December 2016 as compared to an outflow of RMB 90 million for the year ended 31 December 2015. The decrease was due to the disposal of the discontinued operations and partially offset by the administrative expenses of Arete M as the Group consolidated Arete M's results since 1 August 2016.

Cash and cash equivalents as at 31 December 2016 is approximately RMB 2.6 million, a decrease of RMB 208.4 million as compared to RMB 211 million as at 31 December 2015.

The Group is exploring various funding options to replenish cash and cash equivalents in order to support the ongoing operations of the Group.

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.

Telecommunications

The disposal of East Jade International Limited and Aim Tech Network Investment Limited as announced on 21 July 2016 has been completed. The Group is focusing on developing the business of information-communication services through Arete M Pte. Ltd, which the group currently holds a 51% stake. The management of 8Telecom has been actively involved in the Arete M's operation immediately following the disposal of the businesses in People's Republic of China.

The financial results of the previous telecommunication infrastructure solution provision services business in the People's Republic of China are reflected as the results from discontinued operations.

The management of 8Telecom is of the opinion that the demand of the services from Arete M is going to bring substantial growth potential to the Group in the longer term. The Group is focusing on assisting Arete M to secure sufficient capital to support its future growth in information-communication services industry.

Property

Following the disposal of East Jade International Limited and Aim Tech Network Investment Limited as announced on 21 July 2016, the Group has exited its previous property business in People's Republic of China. The financial results of the property business is reflected in the results from discontinued operations.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

As announced by the Company on 15 March 2016, the Proposed Dividend being a special one-tier tax-exempt dividend of RMB4.486 (equivalent to SGD0.9044) per share has been

duly approved by the Shareholders at the Special General Meeting of the Company held on 15 March 2016.

Accordingly, the Proposed Dividend of RMB4.486 (equivalent to SGD0.9044) per share have been paid on 25 July 2016.

(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.

Not applicable.

13. If the Group has obtained a 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.

The Group has not obtained a general mandate from shareholders for IPTs as these transactions are related to the discontinued operation which the Group has disposed on 21 July 2016.

Name of the Interested Person	Aggregate value of all IPT During the year (excluding Transactions below \$100,000 and transactions conducted under the shareholders' mandate pursuant to Rule 920) RMB'000	Aggregate value of all IPT Conducted under shareholders' mandate pursuant to Rule 902 (excluding transactions below \$100,000) RMB'000
Recharge of electricity charge to companies in which a previous director has interest in.	2,571	-
Advances to Zhejiang Andison Information and Technology Co.,Ltd.(Note)	24,000	-

Advances from Zhejiang Andison Information and Technology Co.,Ltd. (Note)	43,519	-
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Note: Zhejiang Andison Information and Technology Co.,Ltd is a company in which a previous director has interest in.

14. 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 confirms that all the required undertakings under Rule 720(1) of the SGX listing Manual have been obtained from its Directors in the format set out in Appendix 7.7 of the SGX Listing Manual. As at the date of this announcement, the Group has no executive officers (excluding directors).

15. Person(s) occupying managerial position in the issuer or any of its subsidiaries who is a relative of a director or a chief executive officer or a substantial shareholder of the issuer (in the format set out in Paragraph 19 of Appendix 7.2)

The Company confirms that there is no person who is a relative of a director or a chief executive officer or a substantial shareholder of the issuer occupying managerial position.

FOR AND ON BEHALF OF THE BOARD

JOSEPH TANG
Executive Director & CFO
1 March 2017