

STARLAND HOLDINGS LIMITED



Company No. 201131382E

Unaudited Financial Statements And Dividend Announcement for the Nine-Month¹ Financial Period Ended 30/06/2016

This announcement has been prepared by the Starland Holdings Limited (the "Company") and its contents have been reviewed by the Company's sponsor, UOB Kay Hian Private Limited. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

The contact persons for the Sponsor are Mr Alvin Soh, Head of Catalist Operations, Senior Vice President, and Mr Augustine Cheong, Assistant Vice President, at 8 Anthony Road, #01-01, Singapore 229957, telephone (65) 65906881.

¹ As announced by the Company on 18 February 2016, the Company has changed its financial year end from 30 September to 30 June. Consequently, the accounts of the Company for the financial period ending in 2016 will cover a period of 9 months from 1 October 2015 to 30 June 2016.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS

- 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 period of the immediately preceding financial year.**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	GROUP			
	9 Months ended 30 June 2016	9 Months ended 30 June 2015	Change	12 Months ended 30 Sept 2015
	RMB'000	RMB'000	%	RMB'000
Revenue	34,165	3,558	860.2	337,051
Cost of Sales	(19,504)	(1,326)	1370.9	(233,350)
Gross Profit	14,661	2,232	556.9	103,701
Other Income	1,363	1,797	-24.2	2,556
Other Operating Expenses	(15,588)	(221)	6953.4	(697)
Selling Expenses	(801)	(821)	-2.4	(1,160)
Administrative Expenses	(10,556)	(6,869)	53.7	(12,557)
(Loss)/profit before income tax	(10,921)	(3,882)	181.3	91,843
Income Tax Expense	(10,456)	(102)	10151	(26,227)
Net (loss)/profit after tax for the financial period/year	(21,377)	(3,984)	436.6	65,616
Other Comprehensive Income <i>-Items that are or may be reclassified subsequently to profit or loss</i>				
Foreign currency translation differences (at nil tax)	(1,703)	(73)	2232.9	170
Total comprehensive income for the financial period/year	(23,080)	(4,057)	468.9	65,786

- 1(a)(ii) Notes to consolidated statement of comprehensive income.**

Loss/Profit for the financial period/year is arrived at after charging/(crediting) the following:

	GROUP			
	9 Months ended 30 June 2016	9 Months ended 30 June 2015	Change	12 Months ended 30 Sept 2015
	RMB'000	RMB'000	%	RMB'000
Interest income	(923)	(1,714)	-46.1	(2,444)
Interest expense	1,035	181	471.8	617
Rental income	(991)	(954)	3.9	(1,225)
Equipment written off	47	-	NM	-
Impairment loss on development property	8,300	-	NM	-
Depreciation and amortisation	533	338	57.7	723

NM = Not Meaningful

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2016 AND 30 SEPTEMBER 2015

	Group		Company	
	As at		As at	
	30/06/2016	30/09/2015	30/06/2016	30/09/2015
	RMB'000	RMB'000	RMB'000	RMB'000
<i>Non-Current Assets</i>				
Equipment	438	773	19	56
Investments in subsidiaries	-	-	9,773	9,773
Deferred tax assets	704	1,002	-	-
Total non-current assets	1,142	1,775	9,792	9,829
<i>Current Assets</i>				
Cash and bank balances	86,217	79,086	34	537
Other receivables and deposits	4,693	2,445	76	84
Due from subsidiaries	-	-	4,275	3,468
Properties held for sale	149,614	168,135	-	-
Development properties	37,982	43,425	-	-
Total current assets	278,506	293,091	4,385	4,089
<i>Current Liabilities</i>				
Trade payables	45	366	-	-
Due to subsidiaries	-	-	21,846	2,227
Due to ultimate holding company	1,371	-	1,371	-
Other payables and accruals	17,985	13,155	1,157	2,174
Advance receipt from sale of properties	7,184	4,770	-	-
Short-term loans	35,333	21,109	-	13,110
Income tax payable	46,848	43,939	-	-
Total current liabilities	108,766	83,339	24,374	17,511
Net current assets/(liabilities)	169,740	209,752	(19,989)	(13,422)
<i>Non-Current Liabilities</i>				
Deferred tax liabilities	11,464	5,138	-	-
Long-term loans	-	23,891	-	-
Total non-current liabilities	11,464	29,029	-	-
Net assets/(liabilities)	159,418	182,498	(10,197)	(3,593)
<i>Capital and Reserves</i>				
Share capital	24,471	24,471	24,471	24,471
Capital reserve	99,027	99,027	-	-
Merger reserve	628	628	628	628
Statutory reserve	7,605	7,363	-	-
Translation reserve	(1,392)	311	(282)	684
Retained earnings/(accumulated losses)	29,079	50,698	(35,014)	(29,376)
Total capital and reserves	159,418	182,498	(10,197)	(3,593)

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

Amount repayable in one year or less, or on demand

Group			
As at 30/06/2016		As at 30/09/2015	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
35,333	-	21,109	-

Amount repayable after one year

Group			
As at 30/06/2016		As at 30/09/2015	
Secured RMB'000	Unsecured RMB'000	Secured RMB'000	Unsecured RMB'000
-	-	23,891	-

Details of any collateral

The Group has obtained a property development financing facility (the "**Facility**") of S\$7,698,000 for a property development project in Singapore. The Facility comprises of a land loan and a construction loan. As at 30 June 2016, the Group has an outstanding land loan of S\$5,376,000 (RMB26,470,000).

The Facility is secured and guaranteed by the following:-

- a) First legal mortgage over the acquired property in Singapore and the proposed development to be erected thereon;
- b) Fixed deposit of S\$773,000 (RMB3,806,000) pledge with the bank;
- c) Existing legal assignment of all rights, title and interests in the construction contract, insurance policies, performance bonds (if any), tenancy agreements and sales and purchase agreements in respect of the proposed development;
- d) A personal guarantee for S\$8,991,000 (RMB44,269,000) by an ex-director of the Company. The Bank is in process of discharging this personal guarantee; and
- e) A corporate guarantee for S\$8,991,000 (RMB44,269,000) by the Company.

Revolving Credit Facility

The Group and the Company had obtained a Revolving Credit Facility (the "**RCF**") of S\$3,050,000 from the Bank of China for general working capital purposes. The Group and the Company has no outstanding balance as at 30 June 2016.

Money Market Loan

The Group has also obtained a Money Market Loan (the “**MML**”) of S\$1,800,000 from the United Overseas Bank for general working capital purposes. The Group has an outstanding balance of S\$1,800,000 (approximately RMB8,863,000) as at 30 June 2016.

The MML is secured and guaranteed by the following:-

- a) Standby Letter of Credit (“**SBLC**”) for not less than RMB10 million issued by the United Overseas Bank (China) Limited, Chengdu Branch; and
- b) A personal guarantee of S\$1,800,000 (approximately RMB8,863,000) by an ex-director of the Company. The Bank is in process of discharging this personal guarantee; and
- c) A corporate guarantee for S\$1,800,000 (approximately RMB8,863,000) by the Company; and
- d) Fixed deposits of RMB10,000,000 pledged with the bank.

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

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2016

	Group		
	9 months ended	9 months ended	12 Months ended
	30 June 2016	30 June 2015	30 Sept 2015
	RMB'000	RMB'000	RMB'000
Operating activities			
(Loss)/profit before income tax	(10,921)	(3,882)	91,843
Adjustments for:			
Equipment written off	47	-	-
Depreciation and amortisation	533	338	723
Impairment loss provision for development property	8,300	-	-
Interest income	(923)	(1,714)	(2,444)
Interest expense	1,035	181	617
Operating cash flows before movements in working capital	(1,929)	(5,077)	90,739
Decrease/(increase) in properties held for sale	18,521	714	(154,722)
(Increase)/decrease in development properties	(58)	6,881	392,580
(Increase)/decrease in other receivables and deposits	(2,248)	6,567	8,383
Decrease in trade payables	(321)	(51,073)	(74,340)
Increase/(decrease) in other payables	6,937	25,842	(287,057)
Cash flows generated from/(used in) operations	20,902	(16,146)	(24,417)
Interest received	923	1,714	2,444
Interest paid	(1,035)	(181)	(617)
Income tax paid	(899)	(1,515)	(1,606)
Net cash generated from/(used in) operating activities	19,891	(16,128)	(24,196)
Investing activities			
Purchase of equipment	(20)	-	(11)
Net cash used in investing activities	(20)	-	(11)
Financing activities			
Decrease/(increase) in bank deposits pledged	16,625	(4,771)	2,350
Proceeds from drawdown of bank borrowings	459	9,656	10,574
Due to ultimate holding company	1,371	-	-
Repayment to an ex-director	-	(6,049)	(6,049)
Repayment of bank borrowing	(14,116)	-	-
Net cash generated from/(used in) financing activities	4,339	(1,164)	6,875
Effects of foreign exchange rate changes	(454)	(600)	170
Net increase/(decrease) in cash and cash equivalents	23,756	(17,892)	(17,162)
Cash and cash equivalents at beginning of financial period/year	48,576	65,738	65,738
Cash and cash equivalents at end of financial period /year*	72,332	47,846	48,576
* Note to consolidated statement of cash flows			
Cash and bank balances	86,217	85,476	79,086
Less deposits pledged	(13,885)	(37,630)	(30,510)
	72,332	47,846	48,576

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

Equity attributable to owners of the parents

	Share capital RMB'000	Capital reserve RMB'000	Merger reserve RMB'000	Statutory reserve RMB'000	Translation reserve RMB'000	Retained earnings /(accumulated losses) RMB'000	Total RMB'000
12 months ended 30 Sept 2015							
Balance at 1 October 2014	24,471	99,027	628	3,222	141	(10,777)	116,712
Total comprehensive income for the financial period	-	-	-	-	(73)	(3,984)	(4,057)
Balance at 30 June 2015	24,471	99,027	628	3,222	68	(14,761)	112,655
Total comprehensive income for the financial period	-	-	-	-	243	69,600	69,843
Transfer to statutory reserve	-	-	-	4,141	-	(4,141)	-
Balance at 30 September 2015	24,471	99,027	628	7,363	311	50,698	182,498
9 months ended 30 June 2016							
Balance at 1 October 2015	24,471	99,027	628	7,363	311	50,698	182,498
Total comprehensive income for the financial period	-	-	-	-	(1,703)	(21,377)	(23,080)
Transfer to statutory reserve	-	-	-	242	-	(242)	-
Balance at 30 June 2016	24,471	99,027	628	7,605	(1,392)	29,079	159,418
COMPANY							
	Share capital RMB'000	Capital reserve RMB'000	Merger reserve RMB'000	Statutory reserve RMB'000	Translation reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
12 months ended 30 Sept 2015							
Balance at 1 October 2014	24,471	-	628	-	99	(23,261)	1,937
Total comprehensive income for the financial period	-	-	-	-	431	(3,052)	(2,621)
Balance at 30 June 2015	24,471	-	628	-	530	(26,313)	(684)
Total comprehensive income for the financial period	-	-	-	-	154	(3,063)	(2,909)
Balance at 30 September 2015	24,471	-	628	-	684	(29,376)	(3,593)
9 months ended 30 June 2016							
Balance at 1 October 2015	24,471	-	628	-	684	(29,376)	(3,593)
Total comprehensive income for the financial period	-	-	-	-	(966)	(5,638)	(6,604)
Balance at 30 June 2016	24,471	-	628	-	(282)	(35,014)	(10,197)

- 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.**

The Company's share capital remained unchanged at RMB24,471,000 comprising 144,733,000 shares as at 30 September 2015 and 30 June 2016.

The Company did not have any outstanding options, convertibles or treasury shares as at 30 September 2015 and as at 30 June 2016.

- 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.**

	Company	
	30 June 2016	30 September 2015
Total number of issued shares	144,733,000	144,733,000

The Company did not have any treasury shares as at 30 June 2016 and 30 September 2015

- 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 thereon.**

Not applicable. The Company did not have treasury shares during or as at the end of the current financial year 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 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.**

Except for the adoption of Singapore Financial Reporting Standards ("FRS") that is effective for the current financial period/year as disclosed in Note 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as in the most recent audited financial statements for the financial year ended 30 September 2015.

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 adoption of the new standards and interpretations beginning or after 1 October 2015 has no material impact on the financial statements in the current reporting period.

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.**

	Group		
	9 months ended 30 June 2016	9 months ended 30 June 2015	12 months ended 30 Sept 2015
(Loss)/earnings per share (RMB cents)			
- Based on weighted average number of shares in issue	(14.77)	(2.75)	45.34
- Based on fully diluted basis	(14.77)	(2.75)	45.34
Weighted average number of shares during the financial period/year applicable to basic and diluted (loss)/earning per share ('000)	144,733	144,733	144,733

Note:-

- 1) The basic and diluted earnings and loss per share for the respective financial period/year under review were the same as the Company did not have potentially dilutive ordinary shares as at 30 June 2016 and as at 30 September 2015 respectively.

7. **Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

	Group	
	30/06/2016	30/09/2015
Net Asset Value Per Ordinary Share		
- Based on issued share capital at the end of financial period/year (RMB)	1.10	1.26
- Number of ordinary shares at the end of financial period/year ('000)	144,733	144,733
	Company	
	30/06/2016	30/09/2015
Net Asset Value Per Ordinary Share		
- Based on issued share capital at the end of financial period/year (RMB)	(0.07)	(0.03)
- Number of ordinary shares at the end of financial period/year ('000)	144,733	144,733

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**

STATEMENT OF COMPREHENSIVE INCOME

Financial period ended 30 June 2016 ("FP2016") vs. Financial year 12 months ended 30 September 2015 ("FY2015")

Revenue

Our revenue is derived from the sale of properties, sale of carpark space, property management income, and rental income from leasing of our properties.

Revenue decreased by RMB302.89 million from RMB337.05 million in FY2015 to RMB 34.17 million in FP2016 due to a decrease in revenue recognition from the sale of units from Singapore Garden Project at Chongqing, Fuling.

	FP2016	FY 2015
	RMB'000	RMB'000
Sales of properties	32,259	335,558
Property management income	915	268
Rental income	991	1,225
	34,165	337,051

Sales of properties

The Group sold 45 residential units and 20 carpark spaces for the Singapore Garden project, 9 commercial units and 9 carpark spaces for University Town project for FP2016 as compared to the Group sold 695 units for Singapore Garden project, 3 commercial units and 15 carpark spaces for University Town project in FY2015.

The revenue from the sale of properties was RMB32.26 million and accounted for 94.42% of the Group's total revenue for FP2016 as compared to revenue amounting to RMB335.56 million which accounted for 99.6% in FY2015.

With the sales in FP2016, the Group has 11 commercial units and 47 carpark spaces left for University Town project and 291 residential units, 28 commercial units and 231 carpark spaces left for Singapore Garden project.

Property management income and rental income

Property management income and carpark fee increased by RMB0.65 million to RMB0.92 million in FP2016, as compared to RMB0.27 million in FY2015. This income is derived from the Singapore Garden project, which was completed in second half FY2015.

Rental income for FP2016 was RMB0.99 million and accounted for 2.90% of our total revenue for FP2016, as compared to RMB1.23 million for FY2015 which accounted for 0.36% of the total revenue for FY2015. The Group's rental income is derived from the leasing of the Group's commercial units of the University Town Project. The decrease in rental income for FP2016 as compared to FY2015 was due to the sale of 9 commercial units in FP2016 which was previously under lease.

Cost of sales

Cost of sales mainly comprises costs incurred directly for our property development activities. Cost of sales is determined by apportionment of the total land costs and development costs during the development period with such apportionment based on the Gross Floor Area (“GFA”) of which the properties have been successfully delivered to the customers.

Costs of sales decreased RMB213.85 million for FP2016 as compared to FY2015. This is in line with the lower revenue in FP2016.

Gross Profit and Profit Margin

Gross profit decreased from RMB103.70 million in FY2015 to RMB14.66 million in FP2016 mainly due to the decrease in revenue. Gross profit margin increased from 30.77% in FY2015 to 42.91% in FP2016. This was mainly due to higher proportion of carpark and commercial sales in FP2016 as compared to FY2015.

Other operating expenses

Other operating expenses increased by RMB14.89 million in FP2016 from RMB0.70 million in FY2015 to RMB15.59 million in FP2016. This was mainly due to an impairment loss amounting to RMB8.30 million, Additional Buyer’s Stamp Duty (“ABSD”) amounting to RMB6.18 million for the Singapore development property and higher interest costs incurred in Singapore.

The Group’s operating expenses comprise selling expenses and administrative expenses. The Group’s total operating expenses decreased by RMB2.36 million or 17.20% from RMB13.72 million in FY2015 to RMB11.36 million in FP2016.

The Group’s selling expenses comprise mainly sales and marketing staff costs, advertisement and promotional expenses and documentation charges for property transfers. Selling expenses accounted for 7.1% and 8.5% of total operating expenses for FP2016 and FY2015, respectively. The Group’s selling expenses decreased by RMB0.36 million from RMB1.16 million in FY2015 to RMB0.80 million in FP2016. The decrease in selling expenses was mainly attributable to marketing activities and promotional expenses for the significant sales of 695 residential units of the Singapore Garden Project in FY2015.

Administrative expenses comprise mainly staff costs, depreciation, management fee payable to ultimate holding company, travelling and transport, and professional expenses. Administrative expenses accounted for 92.9% and 91.5% of total operating expenses for FP2016 and FY2015, respectively. Administrative expenses decreased by RMB2.00 million, or 15.94% from RMB12.56 million in FY2015 to RMB10.56 million in FP2016. The decrease was mainly attributable to a decrease in an ex-director’s remuneration partially offset by an increase in professional fees incurred for the general offer made to the Company’s shareholders and management fees payable to ultimate holding company.

Income tax expenses

Income tax expenses related to enterprise income tax and land appreciation tax in the People's Republic of China (the "PRC") as well as withholding tax on undistributed profits of the PRC subsidiaries. Income tax expenses amounted to RMB10.46 million for FP2016 as compared RMB26.23 million in FY2015. Out of the RMB10.46 million, for FP2016, RMB6.26 million relates to the withholding tax provisions on undistributed profits.

Balance Sheet

Non-current assets

As at 30 June 2016, non-current assets of RMB1.14 million consist of equipment and deferred tax assets.

As at 30 June 2016, the carrying amount of equipment decreased by RMB0.34 million to RMB0.44 million as a result of depreciation charge amounting to RMB0.3 million and equipment written off amounting to RMB0.04 million.

Deferred tax assets decreased by RMB0.3 million to RMB0.7 million as at 30 June 2016. This was mainly due to the write-off of deferred tax assets on a loss making Singapore subsidiary.

Current assets

As at 30 June 2016, current assets amounted to RMB278.51 million mainly consist of cash and cash equivalents, other receivables and deposits, properties held for sale and development properties.

Properties held for sale are completed but unsold units of University Town Project and Singapore Garden Project, which amounted to RMB10.58 million and RMB139.03 million respectively as at 30 June 2016. This is a decrease of RMB18.52 million from RMB168.14 million as at 30 September 2015. The decline was due to the sales in the Singapore Garden Project and University Town Project in FP2016.

Development properties decreased by RMB5.44 million to RMB37.98 million due to an impairment provision of RMB8.30 million on Singapore development property partially offset by the appreciation of Singapore dollars against RMB as at 30 June 2016 as compared to 30 September 2015.

Current liabilities

Company

The increase in the current liabilities at Company level by RMB6.86 million from RMB17.51 million as at 30 September 2015 to RMB24.37 million as at 30 June 2016. The increase is mainly due to a RMB19.62 million advance from a PRC subsidiary to the Company. The fund was mainly utilised to repay the Company's short term loan in FP2016.

Group

As at 30 June 2016, current liabilities of RMB108.77 million consisted of trade and other payables, advance receipt from sale of properties, short-term loans and income tax payable.

Other payables and accruals, which mainly comprise deposits from tenants, advance rental and accrued expenses, increased by RMB4.83 million to RMB17.99 million from RMB13.16 million as at 30 September 2015 is mainly attributable by ABSD payable for the Singapore development property.

Advance receipt from sale of properties for the Singapore Garden Project amounted to RMB7.18 million, resulted in an increase of RMB2.41 million from RMB4.77 million as at 30 September 2015.

Income tax payable amounted to RMB46.85 million, an increase of RMB2.91 million as at 30 September 2015 due to increase of enterprise income tax in FP2016 as at 30 June 2016.

Short-term loans amounted to RMB35.33 million and RMB21.11 million as at 30 June 2016 and 30 September 2015, respectively. The increase is mainly due to repayment within the next 12 months from 30 June 2016.

Non-Current Liabilities

As at 30 June 2016, non-current liabilities of RMB11.46 million consisted of deferred tax liabilities.

As at 30 June 2016, there were no long-term loans as they were reclassified to short-term loans.

Shareholders' equity

Shareholders' equity consists of issued share capital, capital reserve, merger reserve, statutory reserve and retained earnings. As at 30 June 2016, our shareholders' equity amounted to RMB159.42 million.

Cash Flow

For FP2016, the Group generated a positive net cash from operating activities of RMB19.89 million was mainly attributable to the following:

- (a) Continual sales of Singapore Garden Project resulting in a decrease in properties held for sale of RMB18.52 million; and
- (b) Increase in other payables of RMB6.94 million.

Net cash flow generated from financing activities amounted to RMB4.34 million in FP2016, which was mainly due to decrease in bank deposits pledged partially offset by the repayment of bank borrowings and amounts due to ultimate holding company.

As at 30 June 2016, our cash and cash equivalents were at RMB72.33 million.

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

Not applicable as there was no specific forecast previously given.

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.

The Group has launched all blocks of residential units of Singapore Garden Project. The Group will continue to sell the residual residential, commercial units and carpark spaces of Singapore Garden Project as well as the commercial units and carpark spaces of the University Town Project.

In the Fuling District of Chongqing, where our completed property projects are located, the supply side remains challenging. However, with the further introduction of government incentives to encourage home ownership, such as lower interest rates and lower down-payment for first time buyers, management expects the sales of residential units to improve.

In addition to the above, the Company has announced on 20 June 2016 that it has entered into a conditional sale and purchase agreement with the holders of equity interest in Ayondo Holding AG (“**Ayondo**”) to acquire their equity interest in Ayondo.

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 for FP2016.

13. **If the Group has obtained a general mandate from shareholders for interested persons transactions (“IPT”) 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 interested person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920	Aggregated value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000
GRP Limited -Management fee expense	S\$175,000 (RMB820,820)	-

The Group does not have a general mandate for IPT.

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

14. **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 immediately preceding year.**

The Group's reportable operating segments comprise property development, property management and rental income. Property development covers development of residential, commercial and other properties.

Below are the Group's reportable segments as required under FRS 108 Operating Segments.

	Revenue		Profit/(Loss)	
	9 months ended 30 June 2016	12 months ended 30 Sept 2015	9 months ended 30 June 2016	12 months ended 30 Sept 2015
<i>(RMB'000)</i>				
Property development	32,259	335,558	13,279	102,537
Rental Income	991	1,225	860	1,041
Property management income	915	268	522	123
	34,165	337,051	14,661	103,701
Unallocated expenses			(18,205)	(14,302)
Impairment loss on development property			(8,300)	-
Interest Income			923	2,444
(Loss)/profit before income tax			(10,921)	91,843
Income tax			(10,456)	(26,227)
Combined (loss)/profit after tax			(21,377)	65,616
Other comprehensive income			(1,703)	170
Total comprehensive income for the financial period/year			(23,080)	65,786

Revenue reported above represents revenue generated from external parties and there were no inter-segment sales during FP2016 (FY 2015: NIL).

The Group's operations are mainly located in the PRC, hence no analysis by geographical area is provided. The Group assets mainly related to property development, hence, no analysis of segmented assets is provided.

The Group has a large number of customers and does not have any significant revenue arising from sales of properties to any major customers which individually accounted for over 10% of the Group's total revenue.

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

Please refer to Section 8 – Review of performance – for further details.

16. A breakdown of sales.

	Group	
	9 months ended 30 June 2016	12 months ended 30 Sept 2015
	RMB'000	RMB'000
Sales reported for first half year (Loss)/Profit after tax reported for first half year	17,528 (13,087)	1,468 (2,900)
Sales reported for three months / second half year (Loss)/Profit after tax reported for three months / second half year	16,637 (8,290)	335,583 68,516

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

Not applicable.

18. Confirmation by the issuer pursuant to Rule 720(1)

The Company has procured the undertakings from all its Directors and executive officers as required under Rule 720(1) of the Catalist Rules.

19. 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(10). If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with the CEO, any director, and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any during the year
Kelvin Kwan Chee Hong	63	Brother of Mr Kwan Chee Seng, non-executive director of the Company and executive director and substantial shareholder of GRP Limited, ultimate holding company.	General Manager Date of appointment: 18 Feb 2016	NA

BY ORDER OF THE BOARD

**Peng Peck Yen
Executive Director
22 August 2016**