BM MOBILITY LTD.

Company Registration No. 200800853Z

UNAUDITED FINANCIAL STATEMENTS FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 DECEMBER 2017

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.

The Group's current operations are principally conducted in the People's Republic of China ("PRC"). Accordingly, the consolidated financial statements have been prepared in Chinese Renminbi ('RMB"), being the functional currency of the Group.

		GROUP		
		Year ended 31 December		
		Unaudited 2017	Audited 2016	Increase/ (Decrease)
	Note	**RMB$'000**	RMB$'000	%
Revenue	8(a)(i)	**22,401**	49,870	-55.1%
Cost of sales	8(a)(ii)	**(21,736)**	(50,537)	-57.0%
Gross (loss)/ profit	8(a)(iii)	**665**	(667)	
Other income	8(a)(iv)	**134**	6,434	-97.9%
Selling and distribution expenses	8(a)(v)	**(3,725)**	(7,822)	-52.4%
Administrative expenses	8(a)(vi)	**(12,300)**	(11,440)	7.5%
Other operating expenses	8(a)(vii)	**(91,800)**	(141,731)	-35.2%
Share of asssociates' results	8(a)(viii)	**(996)**	-	n.m.
Loss before taxation		**(108,022)**	(155,226)	
Taxation	8(a)(ix)	**286**	-	n.m.
Net loss for the period		**(107,736)**	(155,226)	
Other comprehensive income			-	
Total comprehensive loss for the period		**(107,736)**	(155,226)	-30.6%

BM MOBILITY LTD.

Company Registration No. 200800853Z

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.

	Note	GROUP		COMPANY	
		31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
		RMB$'000	RMB$'000	RMB$'000	RMB$'000
ASSETS					
Non-current assets					
Land use rights		-	14,107	-	-
Property, plant and equipment		1,237	21,607	-	-
Investments in subsidiaries		-	-	-	41,908
Investments in associated companies		4,847	-	5,843	-
	8(b)(i)	6,084	35,714	5,843	41,908
Current assets					
Inventories		116	6,032	-	-
Trade and other receivables		12,825	60,946	1,468	36,251
Other current assets		193	1,074	21	-
Cash and cash equivalents		3,157	2,798	440	34
	8(b)(ii)	16,291	70,850	1,929	36,285
TOTAL ASSETS		22,375	106,564	7,772	78,193
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital		195,561	185,637	195,561	185,637
Statutory reserve		42,794	42,794	-	-
(Accumulated losses)/retained earnings		(250,169)	(142,433)	(194,736)	(127,453)
Total equity		(11,814)	85,998	825	58,184
LIABILITIES					
Current					
Trade and other payables		34,189	20,280	6,947	20,009
Income tax payable		-	286	-	-
Total liabilities	8(b)(iii)	34,189	20,566	6,947	20,009
TOTAL EQUITY AND LIABILITIES		22,375	106,564	7,772	78,193

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

A. The amount repayable in one year or less, or on demand;

None

B. The amount repayable after one year;

None

C. whether the amounts are secured or unsecured; and

None

D. Details of any collaterals.

Not Applicable

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.

	Year ended 31 December	
	2017	2016
	RMB$'000	RMB$'000
Cash flows used in operating activities:		
Loss before taxation	**(108,022)**	(155,226)
Adjustments for :-		
Interest income	**(9)**	(53)
Depreciation of property, plant and equipment	**1,437**	6,459
Amortisation of land use right	**308**	565
Allowance for impairment of land use rights	**13,799**	34,357
Allowance for impairment of property, plant and equipment & Building	**19,110**	74,724
Allowance for impairment of inventories	**4,033**	1,396
Property, plant and equipment written off	**-**	73
Bad debts written-off	**-**	4,213
Reversal of impairment on trade receivables	**(500)**	(4,136)
(Gain) / loss on disposal of property, plant and equipment	**(120)**	1,187
Allowance for impairment loss of trade and other receivables	**26,298**	22,273
Advance payments to suppliers written off	**28,000**	-
Share of loss of asssociate	**996**	-
Operating cash flow before working capital changes:	**(14,670)**	(14,168)
Changes in working capital		
Inventories	**1,883**	1,832
Trade and other receivables	**(5,677)**	(18,688)
Other current assets	**881**	(899)
Trade and other payables	**13,909**	5,849
Cash used in operations	**(3,674)**	(26,074)
Interest received	**9**	53
Net cash used in operating activities	**(3,665)**	(26,021)
Cash flows for investing activities:		
Investment in associated company	**(5,843)**	
Purchase of property, plant and equipment	**(177)**	(7,136)
Proceed from disposal of property, plant and equipment	**120**	75
Refund of deposit for purchase of investment	**-**	-
Net cash flows (used in)/generated from investing activities	**(5,900)**	(7,061)
Cash flows from financing activities:		
Proceeds from shares issued	**9,924**	-
Net cash flows (used in)/generated from financing activities	**9,924**	-
Net increase/(decrease) in cash and cash equivalents	**359**	(33,082)
Cash and cash equivalents at beginning of financial period	**2,798**	35,880
Cash and cash equivalents at end of financial period	**3,157**	**2,798**

1 (d)(i) A statement (for the Group and Company) 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	Statutory reserve	(Accumulated losses) / retained earnings	Total equity
The Group	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Balance at 1 January 2017	185,637	42,794	(142,433)	85,998
Issuance of share capital	9,924	-	0	9,924
Total comprehensive loss for the period	-	-	(107,736)	(107,736)
Balance at 31 December 2017	**195,561**	**42,794**	**(250,169)**	**(11,814)**
Balance at 1 January 2016	185,637	42,794	12,793	241,224
Total comprehensive loss for the period	-	-	(155,226)	(155,226)
Balance at 31 December 2016	**185,637**	**42,794**	**(142,433)**	**85,998**
The Company				
Balance at 1 January 2017	185,637	-	(127,453)	58,184
Inssuance of share capital	9,924	-	0	9,924
Total comprehensive loss for the period	-	-	(67,283)	(67,283)
Balance at 31 December 2017	**195,561**	**-**	**(194,736)**	**825**
Balance at 1 January 2016	185,637	-	(29,838)	155,799
Total comprehensive loss for the period	-	-	(97,615)	(97,615)
Balance at 31 December 2016	**185,637**	**-**	**(127,453)**	**58,184**

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 issue 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 immediately preceding financial year.

	31 December 2017	
	Number of ordinary shares	**Share capital (RMB'000)**
At the end of the period	467,926,732	195,561

There were no changes in the Company's share capital since the end of the previous reporting period and there were no outstanding convertible or treasury shares held as at 31 December 2017 and 31 December 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	
	31 December 2017	**31 December 2016**
No. of ordinary shares in issue	467,926,732	373,717,184

The Company does not have treasury shares as at 31 December 2017 and 31 December 2016.

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

Not applicable.

1 (d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

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

These 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 and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year as compared with the audited financial statements for the year ended 31 December 2016, except for the adoption of the new or revised Singapore Financial Reporting Standard ("FRS") and Interpretations to FRS ("INT FRS") which became effective for financial periods beginning on or after 1 January 2017.

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 or revised FRS and INT FRS does not have any material impact on the financial statements of the Group and the Company.

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. (a) based on the weighted average number of ordinary shares on issue; and (b) on a fully diluted basis (detailing any adjustments made to the earnings).

	Group	
	2017	**2016**
(Loss)/profit after income tax (RMB'000)	(107,736)	(155,226)
Weighted average number of shares in issue (in'000)	440,854	373,717
(Loss)/earnings per share (RMB cents)		
Basic	(24.44)	(41.54)
Fully diluted	(24.44)	(41.54)

7. Net asset value (for the Group and the Company) 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.

	Group		Company	
	2017	**2016**	**2017**	**2016**
Net asset value (RMB'000)	(11,814)	85,998	825	58,184
Number of ordinary shares in issue (in'000)	467,927	373,717	467,927	737,717
Net asset value per share (RMB cents)	(2.52)	23.01	0.18	7.89

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

Commentary on Financial Results

(i) Revenue

For the year ended 31 December 2017 our revenue decreased by approximately RMB 27.5 million or 55.1% from RMB 49.9 million in the year ended 31 December 2016 to RMB 22.4 million.

The Company continues to experience the effects of the persistent slowdown in the manufacturing industry in China. Due to the slowdown in demand for our Company's products, coupled with competition from cheaper and more varied alternatives, orders for our Company's products have declined and the situation will continue to deteriorate. The continued decline in revenue in the last quarter is a confirmation of the same. The revenue generated was largely from the clearance of existing finished goods.

The production line operates intermittently as there is not enough orders to keep it fully operational.

(ii) Cost of Sales

Cost of sales comprise mainly raw material costs, electricity and water costs, direct labour costs and other manufacturing overheads. With the declining revenue, the cost of sales declined accordingly by approximately RMB 28.8 million or 57.0% from RMB 50.5 million in the year ended 31 December 2016 to RMB 21.7 million in year ended 31 December 2017.

Due to the scale back of production, manufacturing overheads and labour costs declined accordingly.

(iii) Gross Profit

For the year ended 31 December 2017, the Company posted a gross profit of RMB 665 thousand from a gross loss of RMB 667 thousand. The Company has been under increasing pressure by customers for competitive pricing in the current landscape. The Company kept cost to minimal to mitigate further losses in the year despite the reduction in production volume which hampered the achievement of optimal economies of scale.

(iv) Other Income

Other income comprise mainly income from sale of scrap materials. Other income decreased to RMB 134 thousand due to the decrease in sale of scrap materials.

(v) Selling and Distribution Expenses

Selling and distribution expenses comprise mainly transportation costs, salaries, entertainment expenses, advertisement expenses, sales related tax, R&D expenses, travelling expenses and depreciation expenses. Selling and distribution expenses decreased by approximately RMB 4.1 million or 52.4% to RMB 3.7 million. Commensurate with the declining revenue, the entertainment expenses, transportation expenses, travelling expenses decreased accordingly.

(vi) Administrative Expenses

Administrative expenses comprise mainly salaries, staff welfare, general office expenses, insurance, professional fees, travelling expenses and depreciation expenses. Administrative expenses increased by approximately RMB 900 thousand from RMB 11.4 million in 2016 to RMB 12.3 million in 2017. The increase in administrative cost is mainly due to the downsizing exercise which includes a one-off compensation for retrenchment in compliance with Chinese regulations.

(vii) Other Operating Expenses

Other operating expenses comprise mainly of the allowance for impairment of trade receivables, advance payment to supplier for the purchase of new equipment ("deposits"), inventory and machinery. Other operating expenses for the year ended 31 December 2017 was RMB 91.8 million as compared to RMB 141.7 million in the year ended 31 December 2016.

Allowance for impairment of trade receivables
The allowance for impairment of trade receivables for the year ended 31 December 2017 amounted to RMB 25.1 million as compared to RMB 38.0 million for the year ended 31 December 2016 due to the decline in revenue. In accordance with the Group's policy, trade receivables that are outstanding for more than 6 months but less than a year are impaired at 50%. Trade receivables that have been outstanding for a year and above are fully impaired.

Trade Receivable Aging RMB'000

1 to 3 Mths	4 to 6 Mths	7-12 Mths	>12 mth
224	-	20,208	48,228

Allowance for Impairment	RMB'000
outstanding amt > 12 mths (100% impaired)	48,228
outstanding amt 7-12 mths (50% impaired)	10,104
total impairment balance	58,332

None of the companies with outstanding owing are related companies. The Company has since stopped selling to these customers.

Allowance for impairment of deposits
With reference to the deposits of RMB 28.0 million to Beijing Chonglee Machinery Engineering Co. Ltd ("BCME") in 2015 for the construction of a production line which the Company has decided not to proceed with the installation, the Company has started negotiating with BCME for the refund of the deposits.

BCME responded by requesting that the Company take delivery of the machinery and for the balance RMB 9.6 million be paid in full. BCME also reserved its rights to claim compensation from the Company for losses suffered and storage cost.

Following consultation with our Chinese solicitors, they are of the opinion that as the Company has not fulfilled its obligations of the contract signed with BCME, it is unlikely that the Company is able to recover the deposits. BCME continues to retain its rights to seek compensation from the Company.

BCME has confirmed also that it is not able to find a customer that is interested in the modification of the customised machinery. As such, the remaining option is to scrap the machinery. Following extensive negotiations with BCME, agreed to waive its rights in claiming further compensation against the Company but will not be returning the deposits.

Based on the legal opinion of our solicitors and the response from BCME during the negotiations, it is unlikely that the deposits will be recoverable. In the latest reply from BCME, they have agreed to forgo the balance claim of RMB 9.6 million and not to claim any further cost against the Company. However, they will not be refunding the deposits of RMB 28.0 million. As such, the deposits have been written off.

Allowance for impairment of inventory
The Company's inventory has been slow moving due to the negative business conditions which the Company has been experiencing. In accordance to FRS 2, as the cost of the inventory that have become obsolete or degraded beyond use is not recoverable, such inventory has been written down to its net realisable value. The write-down of inventory for the year ended 31 December 2017 was RMB 4.0 million as compared to RMB 1.4 million for the year ended 31 December 2016.

Allowance for impairment of plant, property, and equipment ("PPE")
The allowance for impairment of PPE for the year ended 31 December 2017 was RMB 19.1 million as compared to RMB 74.7 million for the year ended 31 December 2016. The allowance for impairment was mainly due to the impairment of the building and machinery.

(viii) Share of associates' results

The acquisition of EStar Investments Pte Ltd ("EStar") was in line with the Group's strategic plans and ongoing efforts to enhance shareholder value in the long term. The Group had invested in the EV charging business of the Target Group as it will allow the Group to venture into the green energy business, which the Group believes has great potential for growth. In particular, the Group sees potential growth in the EV market in the PRC, as the country endeavours to rein in air pollution and reduce its dependence on fossil fuels.

On 29 March 2017, EStar through a strategic collaboration with a Chinese property developer enter an agreement to build 160 charging stations for electric vehicles in China's Huizhou city.

On 20 April 2017, EStar formed a joint venture to build electric-vehicle chargers for sale in Sichuan and other provinces in southern China, in the latest move to expand its foothold in the world's largest electric automobile market.

On 16 May 2017, EStar's joint venture secured a project to install and operate 120 charging stations at an upcoming residential development in Chengdu, the capital of China's Sichuan province.

On 9 August 2017, EStar incorporated a wholly-owned subsidiary company in Malaysia under the name of BM Mobility Sdn Bhd ("BMM"). BMM on 4 September 2017, entered into a dealership agreement with GYH E-Vehicle Sdn Bhd to market and sell electric motor scooters made by Hong Kong-listed Yadea Group Holdings Ltd in Malaysia.

The share of losses by associate for the year ended 31 December 2017 is approximately RMB 1 million. The Company's share of the associate's losses is due to the initial deployment of charging stations and the startup cost.

(ix) Income Tax

There is no current income tax expense due to losses incurred. The tax credit in profit or loss relates to deferred tax adjustment for RMB 286 thousand.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.

Commentary on Financial Position

(i) Non-Current Assets

Our non-current assets comprise mainly of PPE and land use rights. Non-current assets for the year ended 31 December 2017 was RMB 6.1 million compared to the RMB 35.7 million for the year end 31 December 2016 mainly due to the impairment of land use rights and PPE during the year.

In relation to the land use rights, the Land and Resources Bureau of Fujian Province, Quanzhou City issued a final notice to Quanzhou Yixian Textile Co., Ltd notifying that it no longer has the rights to use the parcel of the land as it has been left idle for more than 2 years.

In December 2017, the Land and Resources Bureau of Fujian Province, Quanzhou City wrote to the Company to confirm that the Company's land use rights are not transferrable as stated in the original contracts. There was no impact on the financials in 4Q17 as the Company had in 2Q17 made a full impairment of the above.

(ii) Current Assets

Our current assets comprise mainly inventories, trade and other receivables, other current assets and cash and cash equivalent. Current assets decreased by approximately RMB 54.6 million from RMB 70.9 million as at 31 December 2016 to RMB 16.3 million as at 31 December 2017.

Inventories comprise mainly raw materials, finished goods, work-in-progress ("WIP") and consumables. Inventories decreased by approximately RMB 5.9 million from approximately RMB 6.03 million as at 31 December 2016 to approximately RMB 116 thousand as at 31 December 2017 due to stock clearance and write-down.

Trade and other receivables decreased by approximately RMB 48.1 million from RMB 60.9 million as at 31 December 2016 to RMB 12.8 million as at 31 December 2017.

In accordance to the Group's policy, trade receivables that are outstanding for more than 6 months but less than a year are impaired at 50%. Trade receivables that have been outstanding for more than a year and above are fully impaired.

Trade Receivable Aging RMB'000

1 to 3 Mths	4 to 6 Mths	7-12 Mths	>12 mth
224	-	20,208	48,228

(iii) Current Liabilities

Our current liabilities comprise mainly trade and other payables and income tax payable. Trade and other payables increased by approximately RMB 15.3 million from RMB 20.3 million as at 31 December 2016 to RMB 34.2 million as at 31 December 2017. The increase was largely accounted for by the increase of professional fees in preparation for the various planned corporate actions.

(iv) Commentary on Statement of Cashflows

The net cash used in operating activities was RMB 3.7 million for the year ended 31 December 2017 compared to RMB 26.0 million for the year ended 31 December 2016 which is due to the scale back of operating activities as a result of the decreased demand for our products.

The Group's cash and cash equivalent increased to RMB 3.2 million as at 31 December 2017 from RMB 2.8 million as at 31 December 2016.

(v) Use of Proceeds – Placement Shares

Description	RMB'000	RMB'000
Balance as at 30 September 2017		1,079
Use of proceeds		
Operating Expenses (Professional fee, Administrative expenses, Salaries, etc.)	590	
General corporate purposes	489	1,079
Balance as at 31 December 2017		**0**

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

No variance.

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 Company's sales from its existing business is derived mainly from stock clearance. The Company has also been operating its only production line intermittently due to the lack of demand. In order to mitigate further losses, the Company may cease production.

The Company's Extraordinary General Meeting ("EGM") was held on Tuesday,2 January 2018, and voting was conducted by way of poll on the proposed resolutions set out in the notice of EGM dated 11 December 2017:

(i) Ratify the acquisition of 65% of Estar Investments Pte. Ltd.;

(ii) Proposed diversification of core business to green energy related business; and

(iii) Change the name of the Company to one which is reflective of its new core business.

All the resolutions set out in the Notice of EGM were unanimously passed. The Company will be focusing on its plans to pursue new opportunities to stop the declining revenue and gross profit margin.

11. If a decision regarding dividend has been made:-

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

None.

(b) (i) Amount per share

Not applicable.

(ii) Previous corresponding period

Not applicable.

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

None.

(d) The date the dividend is payable.

Not applicable.

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

Not applicable.

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

No dividend has been declared or recommended for the period ended 31 December 2017.

13. Interested Person Transactions ("IPT")

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.

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)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)
Nil	Nil	Nil

The Company does not have a general mandate from shareholders for IPT.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. 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

	Multifilament yarn		Sandwich mesh fabric and others		SBR and other foamed material		Total	
	2017	2016	**2017**	2016	**2017**	2016	**2017**	2016
	RMB	RMB	**RMB**	RMB	**RMB**	RMB	**RMB**	RMB
	'000	'000	**'000**	'000	**'000**	'000	**'000**	'000
Revenue								
External sales	-	12	**869**	6,623	**21,532**	43,235	**22,401**	49,870
Segment results	**0**	(18)	**(109)**	(1209)	**774**	1197	**665**	(30)
Interest income							**9**	53
Other income							**125**	4218
Product defect claims	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
Unallocated expense							**(108,535)**	(46,023)
Loss before taxation							**(107,736)**	(41,782)
Income tax expense							**-**	-
Loss after tax							**(107,736)**	(41,782)
Other information								
Capital expenditure	**-**	**-**	**-**	**-**	**177**	1,324	**177**	1,324
Depreciation of property, plant and equipment	**0**	471	**29**	607	**359**	4,138	**388**	5,216
Amortisation of land use rights	**0**	35	**40**	26	**145**	103	**185**	164
Allowance for impairment loss of trade receivables	**0**	2,143	**20,817**	11,208	**42,266**	23,149	**63,083**	36,500
Unallocated:								
Capital expenditure							**-**	-
Depreciation of property, plant and equipment							**1049**	693
Amortisation of land use rights							**123**	372
Segment assets	**0**	14,101	**2,333**	22,917	**13,066**	114,263	**15,399**	151,281
Unallocated corporate assets							**6,976**	68,525
Total assets							**22,375**	219,806
Segment liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
Unallocated corporate liabilities							**34,189**	23,143
Total liabilities							**34,189**	23,143

15. 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 Paragraph 8 above for details.

16. A breakdown of sales

	Group		
	2017	**2016**	**Change**
	RMB'000	**RMB'000**	**%**
Sales for the first half year	19,677	25,111	(21.6)
Operating loss after tax	(45,689)	(24,588)	85.8
Sales for the second half year	2,724	18,080	(84.9)
Operating loss after tax	(62,047)	(130,638)	(52.5)

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. 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(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or any of its principal subsidiaries is a relative of a director or the chief executive officer or substantial shareholder of the Company

19. 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 hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Wilson Chua
General Manager for Finance and Admin
1 March 2018