

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 OR LOSS AND OTHER COMPREHENSIVE INCOME (RMB'000)

For the year ended 31 December 2014

| | GROUP | | |
|---|----------------|----------------|------------------|
| | 2014 | 2013 | + / (-) % |
| Revenue | 562,856 | 428,195 | 31.45 |
| Cost of sales | (447,860) | (332,891) | 34.54 |
| Gross profit | 114,996 | 95,304 | 20.66 |
| Other operating income | 4,367 | 2,829 | 54.37 |
| Changes in fair value of investment properties | (13,820) | 3,930 | n/m |
| Changes in fair value of other financial assets | 190 | 144 | 31.94 |
| Selling expenses | (16,688) | (21,430) | (22.13) |
| Administrative expenses | (65,258) | (49,859) | 30.89 |
| Finance costs | (17,786) | (5,981) | 197.38 |
| Profit before income tax | 6,001 | 24,937 | (75.94) |
| Income tax credit (expense) | 2,038 | (7,774) | n/m |
| Profit for the year | 8,039 | 17,163 | (53.16) |
| Other comprehensive income | | | |
| <i>Item that will not be reclassified subsequently to profit or loss:</i> | | | |
| Revaluation gain of property (net of tax), representing total other comprehensive income | 6,726 | - | n/m |
| Total comprehensive income for the year, attributable to equity holders of the company | 14,765 | 17,163 | (13.97) |

n/m : not meaningful.

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

| | <u>2014</u> | <u>2013</u> | <u>+ / (-) %</u> |
|--|--------------------|--------------------|-------------------------|
| | RMB'000 | RMB'000 | |
| Allowance for doubtful trade receivables | 3,220 | 44 | 7,218.18 |
| Allowance for doubtful non-trade receivables | 549 | - | n/m |
| Depreciation and amortisation expense | 8,217 | 6,805 | 20.75 |
| Finance cost | 17,786 | 5,981 | 197.38 |
| Interest income | (1,137) | (848) | 34.08 |
| Loss on disposal of plant and equipment | 25 | 1,155 | (97.84) |
| Loss (Gain) on fair valuation of investment properties | 13,820 | (3,930) | n/m |
| Government grants | (5,786) | (1,312) | 341.01 |
| Research costs | 30,167 | 24,094 | 25.21 |
| Exchange (gain) loss - net | (81) | 269 | n/m |
| Discount for notes receivable | 1,616 | 3,075 | (47.45) |

n/m : not meaningful.

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.

STATEMENT OF FINANCIAL POSITION (RMB'000)

As at 31 December 2014

| | <u>GROUP</u> | | <u>Company</u> | |
|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | <u>As at</u> <u>31/12/2014</u> | <u>As at</u> <u>31/12/2013</u> | <u>As at</u> <u>31/12/2014</u> | <u>As at</u> <u>31/12/2013</u> |
| ASSETS | | | | |
| Current assets: | | | | |
| Cash and bank balances | 218,765 | 177,259 | 1,047 | 366 |
| Other financial assets | 63,469 | 466 | - | - |
| Trade receivables | 140,499 | 160,408 | - | - |
| Amount due from subsidiaries | - | - | 153,090 | 148,117 |
| Other receivables and prepayments | 56,298 | 58,534 | 185 | 92 |
| Construction contracts | 69,536 | 93,579 | - | - |
| Inventories | 45,753 | 32,215 | - | - |
| Properties under development | 384,543 | 286,013 | - | - |
| Total current assets | 978,863 | 808,474 | 154,322 | 148,575 |
| Non-current assets: | | | | |
| Investment in subsidiaries | - | - | 60,000 | 60,000 |
| Investment properties | 194,590 | 186,260 | - | - |
| Property, plant and equipment | 87,070 | 89,351 | - | - |
| Prepayments | 21,870 | 19,428 | - | - |
| Intangible assets | 714 | 769 | - | - |
| Total non-current assets | 304,244 | 295,808 | 60,000 | 60,000 |
| Total assets | 1,283,107 | 1,104,282 | 214,322 | 208,575 |

| | GROUP | | Company | |
|-------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| | <u>As at</u> <u>31/12/2014</u> | <u>As at</u> <u>31/12/2013</u> | <u>As at</u> <u>31/12/2014</u> | <u>As at</u> <u>31/12/2013</u> |
| LIABILITIES AND EQUITY | | | | |
| Short-term bank borrowings | 352,160 | 301,800 | - | - |
| Trade payables | 114,727 | 82,840 | - | - |
| Amount due to subsidiaries | - | - | 26,955 | 14,529 |
| Other payables and accrued expenses | 90,189 | 50,271 | 762 | 8,362 |
| Income tax payable | 2,315 | 1,497 | - | - |
| Provision for land appreciation tax | 34,055 | 34,055 | - | - |
| Total current liabilities | 593,446 | 470,463 | 27,717 | 22,891 |
| Non-current liabilities: | | | | |
| Long-term bank loans | 101,600 | 59,000 | - | - |
| Deferred tax liabilities | 57,297 | 56,052 | - | - |
| | 158,897 | 115,052 | - | - |
| Equity | | | | |
| Shareholders' equity | 530,764 | 518,767 | 186,605 | 185,684 |
| Total equity | 530,764 | 518,767 | 186,605 | 185,684 |
| Total liabilities and equity | 1,283,107 | 1,104,282 | 214,322 | 208,575 |

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

Amount repayable in one year or less, or on demand

| <u>As at 31 December 2014</u> | | <u>As at 31 December 2013</u> | |
|-------------------------------|------------------|-------------------------------|------------------|
| <u>RMB'000</u> | | <u>RMB'000</u> | |
| <u>Secured</u> | <u>Unsecured</u> | <u>Secured</u> | <u>Unsecured</u> |
| 367,414 | 28,000 | 223,784 | 74,000 |

Amount repayable after one year

| <u>As at 31 December 2014</u> | | <u>As at 31 December 2013</u> | |
|-------------------------------|------------------|-------------------------------|------------------|
| <u>RMB'000</u> | | <u>RMB'000</u> | |
| <u>Secured</u> | <u>Unsecured</u> | <u>Secured</u> | <u>Unsecured</u> |
| 57,000 | 44,600 | 59,000 | - |

Details of any collateral

| | <u>As at</u> <u>31 December</u> <u>2014</u> <u>RMB'000</u> | <u>As at</u> <u>31 December</u> <u>2013</u> <u>RMB'000</u> |
|---|---|---|
| Secured by fixed deposits | 110,767 | 74,306 |
| Secured by land use right | 22,206 | 4,195 |
| Secured by trade receivables | 36,667 | 32,398 |
| Secured by investment properties | 194,590 | 168,500 |
| Secured by properties under development | 384,543 | - |

In addition, secured borrowings of RMB97 million (2013: RMB127 million) was guaranteed by a related party (Zhejiang Andison Information and Technology Co., Ltd).

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 2014

| | GROUP | |
|---|--------------|-------------|
| | 2014 | 2013 |
| Cash flows from operating activities: | | |
| Profit before income tax | 6,001 | 24,937 |
| Adjustments for: | | |
| Depreciation and amortization expense | 8,217 | 6,805 |
| Allowance for doubtful trade receivables | 3,220 | 44 |
| Allowance for doubtful non-trade receivables | 549 | - |
| Finance costs | 17,786 | 5,981 |
| Interest income | (1,137) | (848) |
| Loss on disposal of property, plant and equipment | 25 | 1,155 |
| Changes in fair value of other financial assets | (190) | (144) |
| Loss (Gain) on fair valuation of investment properties | 13,820 | (3,930) |
| Operating profit before working capital changes | 48,291 | 34,000 |
| Trade receivables | 16,689 | 14,500 |
| Other receivables and prepayments | 1,234 | 4,312 |
| Construction contracts | 24,043 | 29,149 |
| Inventories | (13,538) | 7,510 |
| Properties under development | (62,112) | (27,218) |
| Trade payables | 31,887 | (11,932) |
| Other payables and accrued expenses | 10,198 | (7,623) |
| Cash generated from operations | 56,692 | 42,698 |
| Interest received | 1,137 | 848 |
| Interest paid | (24,484) | (21,769) |
| Income tax paid | (4,786) | (2,340) |
| Net cash generated from operating activities | 28,559 | 19,437 |
| Cash flows used in investing activities: | | |
| Purchase of property, plant and equipment | (11,946) | (13,728) |
| Proceeds from disposal of plant and equipment | 28 | 282 |
| Additions to land use rights | (13,472) | - |
| Proceeds from disposal of land use rights | 10,958 | - |
| Purchase of intangible asset | - | (334) |
| (Addition) Proceeds from disposal of financial asset at fair value through profit or loss | (62,813) | 720 |
| Proceeds from disposal of available-for-sale investment | - | 1,000 |
| Net cash used in investing activities | (77,245) | (12,060) |
| Cash flows from financing activities: | | |
| Repayments of short-term bank borrowings | (353,000) | (288,000) |
| Increase in short-term bank borrowings | 400,960 | 301,800 |
| Increase in long-term bank loans | 45,000 | 59,000 |
| Advances to a related party | (44,400) | - |
| Repayment of advances by a related party | 44,400 | - |
| Advances from a related party | 25,670 | - |
| Repayment of advances to a related party | (25,670) | - |

| | | |
|--|----------------|----------------|
| Dividends paid | (2,768) | (2,559) |
| Pledged fixed deposits | (36,461) | (50,439) |
| Net cash generated from financing activities | 53,731 | 19,802 |
| Net increase in cash and cash equivalents | 5,045 | 27,179 |
| Cash and cash equivalents at beginning of period | 102,953 | 75,774 |
| Cash and cash equivalents at end of year (Note 1) | 107,998 | 102,953 |

Note 1:

| | GROUP | |
|--|--------------------|--------------------|
| | <u>2014</u> | <u>2013</u> |
| | RMB'000 | RMB'000 |
| Cash and bank balances | 218,765 | 177,259 |
| Less: Fixed deposits pledged: | (110,767) | (74,306) |
| Cash and cash equivalents at end of year | <u>107,998</u> | <u>102,953</u> |

(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.

| | Attributable to equity holders of the Company | | | | | | | | |
|---|---|-------------------------------|-----------------------------|-----------------------------|-------------------------------|---|---|-----------------------------------|------------------|
| | Share Capital RMB'000 | Treasury Shares RMB'000 | Share Premium RMB'000 | Other Reserve RMB'000 | Capital Reserve RMB'000 | Share Based Payment Reserve RMB'000 | Asset Revaluation Reserve RMB'000 | Accumulated Profits RMB'000 | Total RMB'000 |
| <u>Group</u> | | | | | | | | | |
| Balance as at 1 January 2013 | 79,369 | (12,883) | 118,574 | 62,434 | (10,925) | 1,527 | 13,966 | 252,101 | 504,163 |
| Total comprehensive income for the year | - | - | - | - | - | - | - | 17,163 | 17,163 |
| Transfer | - | - | - | 1,332 | - | - | - | (1,332) | - |
| Transaction with owner, recognised directly in equity | | | | | | | | | |
| Dividends paid | - | - | - | - | - | - | - | (2,559) | (2,559) |
| Balance as at 31 December 2013 | 79,369 | (12,883) | 118,574 | 63,766 | (10,925) | 1,527 | 13,966 | 265,373 | 518,767 |
| Total comprehensive income for the year | - | - | - | - | - | - | 6,726 | 8,039 | 14,765 |
| Transfer | - | - | - | 3,098 | - | - | - | (3,098) | - |
| Transaction with owner, recognised directly in equity | | | | | | | | | |
| Dividends paid | - | - | - | - | - | - | - | (2,768) | (2,768) |
| Balance as at 31 December 2014 | 79,369 | (12,883) | 118,574 | 66,864 | (10,925) | 1,527 | 20,692 | 267,546 | 530,764 |

| <u>Company</u> | <u>Share Capital</u> <u>RMB'000</u> | <u>Treasury</u> <u>Shares</u> <u>RMB'000</u> | <u>Share Premium</u> <u>RMB'000</u> | <u>Share-Based</u> <u>Payment Reserve</u> <u>RMB'000</u> | <u>Accumulated</u> <u>(Losses) Profits</u> <u>RMB'000</u> | <u>Total Equity</u> <u>RMB'000</u> |
|--|--|--|--|--|---|---------------------------------------|
| Balance as at 1 January 2013 | 79,369 | (12,883) | 118,574 | 1,527 | 1,622 | 188,209 |
| Total comprehensive income for the year | - | - | - | - | 34 | 34 |
| Transaction with owners, recognised directly in equity | | | | | | |
| Dividends paid | - | - | - | - | (2,559) | (2,559) |
| Balance as at 31 December 2013 | 79,369 | (12,883) | 118,574 | 1,527 | (903) | 185,684 |
| Total comprehensive income for the year | - | - | - | - | 3,689 | 3,689 |
| Transaction with owners, recognised directly in equity | | | | | | |
| Dividends paid | - | - | - | - | (2,768) | (2,768) |
| Balance as at 31 December 2014 | 79,369 | (12,883) | 118,574 | 1,527 | 18 | 186,605 |

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.

There were no changes in the company's share capital during the financial year ended 31 December 2014.

The number of ordinary shares held as treasury shares as at 31 December 2014 and 31 December 2013 was 15,750,000 shares.

As at 31 December 2014, there were no shares that may be issued on conversion of any outstanding convertibles or share option (2013: 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 2014 and 31 December 2013 is 463,154,250 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 year ended 31 December 2013, as well as all the applicable International Financial Reporting Standards ("IFRSs") which became effective for the financial year beginning on or after 1 January 2014. 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. 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>GROUP</u> | |
|---------------------------|--------------|-------------|
| | <u>2014</u> | <u>2013</u> |
| Basic EPS (RMB cents) * | 1.74 | 3.71 |
| Diluted EPS (RMB cents) * | 1.74 | 3.71 |

* based on weighted average number of ordinary shares in issue of 463,154,250 (2013: 463,154,250) ordinary shares

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>31/12/2014</u> | <u>31/12/2013</u> | <u>31/12/2014</u> | <u>31/12/2013</u> |
| Net asset value per ordinary share (RMB cents) * | 114.60 | 112.01 | 40.29 | 40.09 |

* based on the existing number of shares in issue of 463,154,250 ordinary shares

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.

Statement of Comprehensive Income

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

| | FY2014 RMB 'Mil | FY2013 RMB 'Mil | Chg % |
|---|--------------------|--------------------|--------------|
| Revenue by business segments: | | | |
| Telecommunications pipes | 66.03 | 75.66 | (12.73) |
| Telecommunications & other towers | 334.92 | 218.39 | 53.36 |
| Telecommunications engineering services | 154.03 | 127.51 | 20.80 |
| Property | 7.88 | 6.64 | 18.67 |
| Total revenue | 562.86 | 428.20 | 31.45 |

Consolidated Statement of Comprehensive Income

The Group recorded revenue of RMB562.86 million for FY2014, an increase of 31.45% or RMB134.66 million from RMB428.20 million in 2013. This is mainly due to a 53.36% increase in revenue for telecommunication & other towers segment of RMB116.53 million, a 20.8% increase in revenue for telecommunication engineering services of RMB26.52 million. Rental income from investment properties slightly increased by RMB1.24 million in 2014. The increase was offset by a 12.73% decrease in revenue of telecommunications pipes segment of RMB9.63 million.

Gross profit margin for FY2014 dropped 1.83% year on year to 20.43% as compared to 22.26% in FY2013.

There was a fair value loss on the investment properties of RMB13.82 million in 2014 as compared to a fair value gain on the investment properties of RMB3.93 million in FY2013.

The Group received higher government grants of RMB5.79 million in FY2014, an increase of RMB4.48 million as compared to RMB1.31 million in FY2013.

In line with the growth in the business operation, the Group saw a 29.07% increase in selling and administrative expenses and finance costs from RMB77.27 million in FY2013 to RMB99.73 million in FY2014. Finance costs for FY2014 increased to RMB17.79 million from RMB5.98 million in FY2013 due to lower interest capitalised for properties under development during 2014.

There was tax credit of RMB2.04 million in 2014 as compared to total income tax expenses of RMB7.78 million in FY2013 due to reversal of deferred tax liabilities amounted to RMB7.64 million which resulted from the fair value loss on investment properties during the year which off-set against with current income tax of RMB5.60 million.

In the first quarter of FY2014, office units previously classified as part of property, plant and equipment was leased out under long term contract and thus transferred to part of the Group's investment properties during the year. The gain on revaluation of these office units (net of tax) of RMB6.73 million was recognised as other comprehensive income.

Factoring the above results, the Group generated total comprehensive income of RMB14.77 million for FY2014 as compared to RMB17.16 million for FY2013.

Statement of Financial Position

Trade receivables as at 31 December 2014 fell by RMB19.91 million to RMB140.50 million as compared to RMB160.41 million for the same period ended last year, primarily due to improve in collection from customers during the year.

Other receivables and prepayments amounted to RMB56.30 million at the end of the year, a slightly decrease of RMB2.23 million from RMB58.53 million at the end of 31 December 2013 due to decreased in deposits for telecommunication engineering services segment and allowance for doubtful non-trade receivables made during the year.

Construction contracts as at 31 December 2014 dropped by RMB24.04 million to RMB69.54 million, compared with RMB93.58 million for the same period ended last year mainly due to the lesser of completion of project but not yet billed at the end of the year as compared to prior year.

Inventory stood at RMB45.75 million as at end 31 December 2014, an increase of RMB13.53 million from RMB32.22 million as at end 31 December 2013 as the Group keep higher inventory level to cope with higher demand for telecommunication and other towers segment.

Development costs for the Group's Wuchang property project amounted to RMB384.5 million, an increase of RMB98.53 million due to construction costs incurred and interest capitalised during the

year.

Property, plant and equipment approximated RMB87.07 million as at 31 December 2014, a decrease of RMB2.28 million as compared to RMB89.35 million as at 31 December 2013 mainly due to depreciation of RMB7.64 million, transfer of office units with net book value of RMB6.54 million to investment properties in first quarter of FY2014 off-set against with additions of RMB11.95 million during the year.

Investment properties increase of RMB8.33 million to RMB194.59 million in 2014 as compared to RMB186.26 million in 2013 due to the transfer of office units from property, plant and equipment with fair value of RMB22.15 million in first quarter of 2014 and off-set against with loss in fair value of RMB13.82 million during the year.

Non-current assets amounted to RMB304.24 million as at end 31 December 2014, an increase of RMB8.43million as compared to RMB295.81 million as at 31 December 2013.

Short term bank borrowings amounted to RMB352.16 million as at 31 December 2014, an increase of RMB50.36 million over the prior year.

Trade payable increased RMB31.89 million year on year, amounting to RMB114.73 million as at 31 December 2014.

Long term bank loans appreciated to RMB101.6 million as at 31 December 2014, an increase of RMB42.6 million over the prior year.

Deferred tax liabilities as at 31 December 2014 increased by RMB1.25 million to RMB57.30 million as compared to RMB56.05 million for the same period ended last year mainly due to additional deferred tax liabilities of RMB8.89 million which arose due to the transfer of office units from property, plant and equipment to investment properties in first quarter of 2014, off-set against with the decrease of RMB7.64 million which resulted from the fair value loss on investment properties during the year.

Consolidated Statement of Cash Flows

Cash generated from operating activities in FY2014 was RMB28.56 million as compared to cash inflow of RMB19.44million in FY2013.

Cash and cash equivalents as at end FY2014 is approximately RMB108.00 million, an increase of RMB5.05 million as compared to RMB102.95 million as at end FY2013.

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

We hope to harvest the benefits of the long term growth potential of a more diversified telecommunication sector in China. We shall continue to reinforce our research and developments efforts and improve our operational efficiency. To meet the demands of China's roll-out of 4G networks, there is an expected higher spending on telecommunication equipment this year. In light of this positive trend, we are looking forwards to expand our telecommunication business segment.

Property

The commercial property project in Lin Ping, Hangzhou Zhejiang province is expected to deliver recurring and stable rental income. The Group's other commercial property project in Wuchang, Zhejiang province is in its first phase of development and is scheduled for completion at the end of 2015.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? Yes

| Name of Dividend | <u>Final Dividend</u> |
|------------------------------|------------------------------|
| Dividend type | Cash |
| Dividend per Share | SGD0.0013 |
| Par value of ordinary shares | USD0.02 |
| Tax Rate | Not applicable |

| Name of Dividend | <u>Special Dividend</u> |
|------------------------------|--------------------------------|
| Dividend type | Cash |
| Dividend per Share | SGD0.0013 |
| Par value of ordinary shares | USD0.02 |
| Tax Rate | Not applicable |

(b) Corresponding Period of the Immediately Preceding Financial Year

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

| Name of Dividend | <u>Final Dividend</u> |
|------------------------------|------------------------------|
| Dividend type | Cash |
| Dividend per Share | SGD0.0012 |
| Par value of ordinary shares | USD0.02 |
| Tax Rate | Not applicable |

The final dividend of SGD0.0012 per ordinary share for the financial year ended 31 December 2013 was paid on 20 May 2014.

(c) Date payable

To be announced later

(d) Books closure date

To be announced later

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

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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.

Year ended 31 December 2014

| <u>GROUP</u> | Tele- communications pipes RMB'000 | Tele- communications engineering services RMB'000 | Tele- communications and other towers RMB'000 | Property RMB'000 | Total RMB'000 |
|--|---|--|--|-----------------------------|--------------------------|
| Revenue | | | | | |
| Revenue from external customers | 66,034 | 154,025 | 334,920 | 7,877 | 562,856 |
| Result: | | | | | |
| Segment results | 3,156 | 3,249 | 33,425 | 5,581 | 45,411 |
| Fair value loss on investment properties | - | - | - | (13,820) | (13,820) |
| Unallocated corporate expenses | | | | | (7,804) |
| Finance cost | | | | | (17,786) |
| Profit before income tax | | | | | 6,001 |
| Income tax credit | | | | | 2,038 |
| Profit for the year | | | | | 8,039 |

Year ended 31 December 2013

| GROUP | Tele-communications pipes RMB'000 | Tele-communications engineering services RMB'000 | Tele-communications and other towers RMB'000 | Property RMB'000 | Total RMB'000 |
|--|--|---|---|-----------------------------|--------------------------|
| Revenue | | | | | |
| Revenue from external customers | 75,660 | 127,510 | 218,385 | 6,640 | 428,195 |
| Result: | | | | | |
| Segment results | 926 | 4,354 | 28,875 | 3,206 | 37,361 |
| Fair value gain on investment properties | - | - | - | 3,930 | 3,930 |
| Unallocated corporate expenses | | | | | (10,373) |
| Finance cost | | | | | (5,981) |
| Profit before income tax | | | | | 24,937 |
| Income tax expense | | | | | (7,774) |
| Profit for the year | | | | | 17,163 |

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.

Please refer to paragraph 8 and 13.

15. A breakdown of sales.

| | 2014 | 2013 |
|---|----------------|----------------|
| | RMB'000 | RMB'000 |
| Sales reported for first half year | 243,144 | 181,258 |
| Operating profit after tax before deducting non-controlling interest reported for the first half | 7,341 | 9,208 |
| Sales reported for second half year | 319,712 | 246,937 |
| Operating profit after tax before deducting non-controlling interest reported for the second half | 698 | 7,955 |

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

| | Latest Full Year 2014 | Previous Full Year 2013 |
|------------|--|--|
| Ordinary | SGD602,101 RMB2,794,000 | SGD555,785 RMB2,768,000 |
| Preference | - | - |
| Total: | SGD602,101 RMB2,794,000 | SGD555,785 RMB2,768,000 |

17. Interested Person Transactions (“IPT”)

The Group has not obtained a general mandate from shareholders for IPTs.

| Name of 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 |
|--|--|---|
| Period end balance of loans guaranteed by: Ye Tianyun and his associate. | 122,860 | - |
| Period end balance of loans guaranteed by: Zhejiang Andison Information and Technology Co.,Ltd. | 97,000 | - |
| Recharge of electricity charge to companies in which a director has interest in. | 2,899 | - |
| Advances to Zhejiang Andison Information and Technology Co.,Ltd.(Note) | 44,400 | - |
| Advances from Zhejiang Andison Information and Technology Co.,Ltd. (Note) | 25,670 | - |

Note: The advances have been fully repaid as at December 31, 2014.

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) of the Listing Manual

| Name | Age | Family relationship with any director and/or substantial shareholder | Family relationship with any director and/or substantial shareholder | Details of changes in duties and position held, if any, during the year |
|-------------|------------|---|---|--|
| Chen MeiXia | 39 | Cousin of Mr Ye TianYun, the Executive Chairman, Chief Executive Officer and a Substantial Shareholder of the Company | She is a Manager of Financial Department, effective 1 January 2010,and she is the acting CFO from 15 Aug 2013 | No |

FOR AND ON BEHALF OF THE BOARD

Ye Tianyun
Executive Chairman and CEO
14 February 2015