

## 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 second quarter ended 30 June 2015

	<u>GROUP</u>			<u>GROUP</u>		
	<u>Q2 2015</u>	<u>Q2 2014</u>	<u>+ / (-) %</u>	<u>H1 2015</u>	<u>H1 2014</u>	<u>+ / (-) %</u>
Revenue	136,562	135,720	0.62	255,715	243,144	5.17
Cost of sales	(109,944)	(106,963)	2.79	(208,891)	(195,487)	6.86
<b>Gross profit</b>	<b>26,618</b>	<b>28,757</b>	<b>(7.44)</b>	<b>46,824</b>	<b>47,657</b>	<b>(1.75)</b>
Other operating income	304	1,862	(83.67)	1,606	4,897	(67.20)
Changes in fair value of futures contracts and other financial assets	331	(4)	NM	634	37	1613.51
Selling expenses	(6,458)	(7,317)	(11.74)	(9,381)	(13,058)	(28.16)
Administrative expenses	(11,134)	(9,300)	19.72	(21,984)	(18,456)	19.12
Finance costs	(3,885)	(4,640)	(16.27)	(8,760)	(8,547)	2.49
<b>Profit before income tax</b>	<b>5,776</b>	<b>9,358</b>	<b>(38.28)</b>	<b>8,939</b>	<b>12,530</b>	<b>(28.66)</b>
Income tax expense	(2,718)	(3,619)	(24.90)	(4,245)	(5,189)	(18.19)
<b>Net profit after income tax</b>	<b>3,058</b>	<b>5,739</b>	<b>(46.72)</b>	<b>4,694</b>	<b>7,341</b>	<b>(36.06)</b>
<b>Other comprehensive income</b>						
<i>Item that will not be reclassified subsequently to profit or loss:</i>						
Revaluation of property (net of tax), representing total other comprehensive income	-	-	-	-	6,312	NM
<b>Total comprehensive income for the period, attributable to equity holders of the company</b>	<b>3,058</b>	<b>5,739</b>	<b>(46.72)</b>	<b>4,694</b>	<b>13,653</b>	<b>(65.62)</b>

NM : not meaningful.

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

	<u>GROUP</u>			<u>GROUP</u>		
	<u>Q2 2015</u>	<u>Q2 2014</u>	<u>+ / (-) %</u>	<u>H1 2015</u>	<u>H1 2014</u>	<u>+ / (-) %</u>
Allowance for doubtful trade receivables	1,135	1,080	5.09	2,597	2,351	10.46
Depreciation and amortisation expense	1,986	2,202	(9.81)	4,264	4,136	3.09
Finance cost	3,885	4,640	(16.27)	8,760	8,542	2.55
Interest income	(277)	(271)	2.21	(1,088)	(359)	203.06
Government grants	(261)	(2,034)	(87.17)	(1,042)	(4,784)	(78.22)
Research costs	6,327	5,141	23.07	11,940	10,132	17.84
Net exchange loss (gain)	<u>27</u>	<u>32</u>	<u>(15.63)</u>	<u>28</u>	<u>(102)</u>	<u>NM</u>

NM : 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 30 June 2015

	<u>GROUP</u>		<u>Company</u>	
	<u>As at</u> <u>30/06/2015</u>	<u>As at</u> <u>31/12/2014</u>	<u>As at</u> <u>30/06/2015</u>	<u>As at</u> <u>31/12/2014</u>
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and bank balances	219,117	218,765	722	1,047
Other financial assets	1,203	63,469	-	-
Trade receivables	134,521	140,499	-	-
Amount due from subsidiaries	-	-	155,292	153,090
Amount due from a related party	15,119	-	-	-
Other receivables and prepayments	24,628	56,298	679	185
Construction contracts	136,622	69,536	-	-
Inventories	25,593	45,753	-	-
Properties under development	467,680	384,543	-	-
Total current assets	1,024,483	978,863	156,693	154,322
<b>Non-current assets:</b>				
Investment in subsidiaries	-	-	60,000	60,000
Investment properties	194,590	194,590	-	-
Property, plant and equipment	89,158	87,070	-	-
Prepayments	21,612	21,870	-	-
Intangible assets	686	714	-	-
Total non-current assets	306,046	304,244	60,000	60,000
<b>Total assets</b>	<b>1,330,529</b>	<b>1,283,107</b>	<b>216,693</b>	<b>214,322</b>

	<u>GROUP</u>		<u>Company</u>	
	<u>As at</u> <u>30/06/2015</u>	<u>As at</u> <u>31/12/2014</u>	<u>As at</u> <u>30/06/2015</u>	<u>As at</u> <u>31/12/2014</u>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities:</b>				
Short-term bank borrowings	397,360	352,160	-	-
Trade payables	111,627	114,727	-	-
Amount due to subsidiaries	-	-	26,904	26,955
Amount due to related party	12,950	-	-	-
Other payables and accrued expenses	54,044	90,189	1,164	762
Income tax payable	3,606	2,315	-	-
Provision for land appreciation tax	34,055	34,055	-	-
Total current liabilities	<b>613,642</b>	<b>593,446</b>	<b>28,068</b>	<b>27,717</b>
<b>Non-current liabilities:</b>				
Long-term bank loans	129,726	101,600	-	-
Deferred tax liabilities	57,297	57,297	-	-
Total non-current liabilities	187,023	158,897	-	-
<b>Equity</b>				
Shareholders' equity	529,864	530,764	188,625	186,605
Total equity	<b>529,864</b>	<b>530,764</b>	<b>188,625</b>	<b>186,605</b>
<b>Total liabilities and equity</b>	<b>1,330,529</b>	<b>1,283,107</b>	<b>216,693</b>	<b>214,322</b>

**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 30/06/2015</u>		<u>As at 31/12/2014</u>	
<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
427,606	9,000	367,414	28,000

**Amount repayable after one year**

<u>As at 30/06/2015</u>		<u>As at 31/12/2014</u>	
<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
85,226	44,500	57,000	44,600

**1(b)(ii) Aggregate amount of group's borrowings and debt securities (cont'd)**

**Details of any collateral**

	<u>As at</u> <u>30/06/2015</u> RMB'000	<u>As at</u> <u>31/12/2014</u> RMB'000
Secured by fixed deposits	162,037	110,767
Secured by land use right	21,920	22,206
Secured by building	52,749	54,944
Secured by investment properties	194,590	194,590
Secured by trade receivables	34,444	36,667
Secured by properties under development	198,007	198,007

In addition, maximum guarantee of RMB306 million (2014: RMB97 million) is guaranteed by a company in which a director has interest in and maximum guarantee of RMB351 million (2014: RMB123 million) is guaranteed by a director and his associate.

**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 second quarter ended 30 June 2015**

	<b>GROUP</b>	
	<b>Q2 2015</b>	<b>Q2 2014</b>
<b>Operating activities:</b>		
Profit before income tax	5,776	9,358
Adjustments for:		
Depreciation and amortization expense	1,986	2,202
Finance costs	3,885	4,640
Interest income	(277)	(271)
Allowance for doubtful trade receivables	1,135	1,080
Changes in fair value of other financial assets	(331)	4
Operating profit before working capital changes	12,174	17,013
Trade receivables	(6,833)	(43,750)
Amount due from a related party	-	(787)
Other receivables and prepayments	(5,837)	13,166
Construction contracts	(8,718)	8,162
Inventories	4,505	(9,830)
Properties under development	(32,555)	(545)
Trade payables	11,643	952
Other payables and accrued expenses	1,450	(4,368)
Cash used in operations	(24,171)	(19,987)
Interest received	277	271
Interest paid	(7,388)	(5,914)
Income tax paid	(2,934)	(998)
Net cash used in operating activities	(34,216)	(26,628)
<b>Investing activities:</b>		
Advances to a related party	(789)	25,900
Repayment of advances by a related party	-	(25,900)
Purchase of land use rights	-	(8,473)
Proceeds from disposal of financial asset	-	1,075
Purchase of property, plant and equipment	(1,129)	(486)
Net cash used in investing activity	(1,918)	(7,884)
<b>Financing activities:</b>		
Repayments of short-term bank loans	(198,157)	(43,000)
Increase in short-term bank borrowings	284,860	63,000
Increase in long-term bank loans	23,700	-
Advances from a related party	31,500	22,170
Repayment of advances to a related party	(22,950)	(22,170)
Dividends paid	(5,594)	(2,769)
Pledged fixed deposits	(50,420)	5,300
Net cash generated from financing activities	62,939	22,531
Net increase (decrease) in cash and cash equivalents	26,805	(11,981)
Cash and cash equivalents at beginning of period	30,275	44,077
<b>Cash and cash equivalents at end of period (Note 1)</b>	<b>57,080</b>	<b>32,096</b>

Note 1:

	<u>GROUP</u>	
	<u>Q2 2015</u>	<u>Q2 2014</u>
Cash and bank balances	219,117	99,753
Less: Fixed deposits pledged	(162,037)	(67,657)
Cash and cash equivalents at end of period	<u>57,080</u>	<u>32,096</u>

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

**Attributable to equity holders of the Company**

	Share Capital	Treasury Shares	Share Premium	Other Reserve	Capital Reserve	Share Based Payment Reserve	Asset Revaluation Reserve	Accumulated Profits	Total
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<u>Group</u>									
Balance as at 1 April 2015	79,369	(12,883)	118,574	66,864	(10,925)	1,527	20,692	269,182	532,400
Total comprehensive income for the period	-	-	-	-	-	-	-	3,058	3,058
Dividends paid	-	-	-	-	-	-	-	(5,594)	(5,594)
Balance as at 30 June 2015	79,369	(12,883)	118,574	66,864	(10,925)	1,527	20,692	266,646	529,864
Balance as at 1 April 2014	79,369	(12,883)	118,574	63,766	(10,925)	1,527	20,278	266,976	526,682
Total comprehensive income for the period	-	-	-	-	-	-	-	5,739	5,739
Dividends paid	-	-	-	-	-	-	-	(2,769)	(2,769)
Balance as at 30 June 2014	79,369	(12,883)	118,574	63,766	(10,925)	1,527	20,278	269,946	529,652



	Share Capital	Treasury Shares	Share Premium	Share-Based Payment Reserve	Accumulated Profits	Total Equity
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
<u>Company</u>						
Balance as at 1 April 2015	79,369	(12,883)	118,574	1,527	7,701	194,288
Total comprehensive loss for the period	-	-	-	-	(69)	(69)
Dividends paid	-	-	-	-	(5,594)	(5,594)
Balance as at 30 June 2015	<u>79,369</u>	<u>(12,883)</u>	<u>118,574</u>	<u>1,527</u>	<u>2,038</u>	<u>188,625</u>
Balance as at 1 April 2014	79,369	(12,883)	118,574	1,527	(2,186)	184,401
Total comprehensive loss for the period	-	-	-	-	(833)	(833)
Dividends paid	-	-	-	-	(2,769)	(2,769)
Balance as at 30 June 2014	<u>79,369</u>	<u>(12,883)</u>	<u>118,574</u>	<u>1,527</u>	<u>(5,788)</u>	<u>180,799</u>

- 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.**

Share consolidation exercise ("Share Consolidation") was carried out by the Company, consolidating every five (5) existing issued ordinary shares of par value of US\$0.02 each in the issued and authorised share capital of the Company (including treasury shares) into one (1) ordinary share of par value of US\$0.10 each. Subsequent to the annual general meeting approval on 29 April 2015, the exercise was completed and announced on 24 June 2015.

The number of ordinary shares held as treasury shares as at 30 June 2015 was 3,150,000 shares (30 June 2014: 15,750,000 shares).

As at 30 June 2015, there were no shares that may be issued on conversion of any outstanding convertibles or share option (2014: 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 30 June 2015 is 92,630,849 shares (31 December 2014: 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 second quarter announcement for the current financial period as those of the audited financial statements for the year ended 31 December 2014, as well as all the applicable International Financial Reporting Standards ("IFRS") which became effective for the financial year beginning on or after 1 January 2015. The adoption of these new and revised IFRSs has no material effect on the second quarter announcement for the current 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>2015Q2</u>	<u>2014Q2</u>
Basic EPS (RMB cents)	3.30*	6.20
Diluted EPS (RMB cents)	3.30*	6.20

\* based on revised numbers of ordinary shares in issue of 92,630,849 (2014Q2: 463,154,250 ordinary shares) as a results of the Share Consolidation.

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>30/06/2015</u>	<u>31/12/2014</u>	<u>30/06/2015</u>	<u>31/12/2014</u>
Net asset value per ordinary share (RMB cents)	572.02*	572.99	203.63*	201.45

\* based on the revised numbers of ordinary shares in issue of 92,630,849 (2014: 463,154,250 ordinary shares) as a results of the Share Consolidation.

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:

	H1 2015 RMB'000	H1 2014 RMB'000	Chg %
<b>Revenue by business segments:</b>			
Telecommunications pipes	16,048	33,015	(51.39)
Telecommunications & other towers	152,225	128,337	18.61
Telecommunications engineering services	83,247	78,099	6.59
Property	4,195	3,693	13.59
<b>Total revenue</b>	<b>255,715</b>	<b>243,144</b>	5.17

## **Consolidated Statement of Profit or Loss and other Comprehensive Income**

The Group announced revenue of RMB255.72 million for the first half of FY2015 ("1H2015"), an increase of RMB12.58 million (5.17%) as compared to RMB243.14 million for the first half of FY2014 ("1H2014"). This is mainly due to an increase of RMB29.89 million (18.61%) in the revenue from telecommunications & other towers business segment. However, the revenue from telecommunications pipes business segment has decreased by RMB16.97 million (51.39%) due to business declined in this business segment.

The Group's gross profit for 1H2015 reached RMB46.82 million, which has decreased by RMB0.83 million (1.75%) as compared to 1H2014. Gross profit margin for 1H2015 approximated at 18.31%, which has decreased by 1.29% as compared to 19.60% in 1H2014.

Other operating income for 1H2015 has decreased by RMB3.29 million to RMB1.61 million as compared to RMB4.90 million for 1H2014. This is mainly due to lower of government grants received during the period which has decreased by RMB3.74 million.

The Group's total selling and administrative expenses and finance costs has increased by RMB0.07 million from RMB40.06 million in 1H2014 to RMB40.13 million in 1H2015. This is mainly due to increased in research and development costs by RMB1.81 million, travelling and entertainment expenses by RMB0.57 million, finance cost by RMB0.20 million and off-set against with decreased in the salaries expenses by RMB2.53 million.

Factoring the above results, the Group achieved a net profit of RMB4.69 million for 1H2015, which has decreased by RMB2.65 million as compared to RMB7.34 million for 1H2014.

## **Statement of Financial Position**

Trade receivables as at 30 June 2015 has decreased by RMB5.98 million to RMB134.52 million as compared to RMB140.50 million as at 31 December 2014, which is due improvement in collection from customers during the period.

Other receivables and prepayments amounted to RMB24.63 million as at 30 June 2015, a decrease of RMB31.67 million from RMB56.30 million as at 31 December 2014. This is mainly due to utilisation of prepayments during the period.

Development costs for the Group's Wuchang property project has increased by RMB83.14 million from RMB384.54 million to RMB467.68 million as at 30 June 2015 mainly due to construction costs incurred and capitalisation of interest expenses during the period.

Inventories stood at RMB25.59 million as at end 30 June 2015, a decrease of RMB20.16 million from RMB45.75 million as at end 31 December 2014 and mainly due to the decrease of raw materials and finished goods inventories as increase in sales during the period.

Construction contracts as at 30 June 2015 has increased by RMB67.08 million to RMB136.62 million as compared to RMB69.54 million as at 31 December 2014, which was due to more contracts being completed but not yet invoiced to customers during the period.

Non-current assets has increased by RMB1.81 million, reaching RMB306.05 million as compared to RMB304.24 as at 31 December 2014. This is mainly due to fixed assets increasing by RMB2.09 million to RMB89.16 million as at 30 June 2015 as compared to RMB87.07 million as at 31 December 2014. The increase was mainly due to a construction cost of RMB6.84 million for the construction of a factory building in Jingshan town and additional fixed assets of RMB0.50 million which off-set RMB1.02 million of fixed assets written-off and depreciation charge of RMB4.23 million for the period then ended. The decreased in intangible assets as at 30 June 2015 is mainly due to the amortisation charge of RMB0.03 million during the period.

Short term bank borrowings amounted to RMB397.36 million as at 30 June 2015, an increase of RMB45.2 million from RMB352.16 million as at 31 December 2014 due to new loans of RMB349.76 million obtained and reclassification of long-term bank loans to short term bank loans of RMB0.5 million which off-set against repayment of RMB305.06 million short term loans during the period.

Trade payable decreased by RMB3.1 million from RMB114.73 million as at 31 December 2014 to RMB111.63 million as at 30 June 2015 mainly due to repayments made to suppliers during the period.

Other payables and accrued expenses amounted to RMB54.04 million at 30 June 2015, a decrease of RMB36.15 million from RMB90.19 million as at 31 December 2014, and is mainly due to payment made to suppliers during the period.

Long term bank borrowings grew up by RMB28.13 million from RMB101.6 million as at 31 December 2014 to RMB129.73 million as at 30 June 2015 due to drawn down of loans during the period.

In June 2015, the Group bought a 51%-stake in Singapore based Arete M Pte. Ltd. The Group is currently assessing the appropriate accounting treatment for this company.

### **Consolidated Statement of Cash Flows**

Net cash from operating activities in the second quarter of 2015 was an outflow of RMB34.22 million as compared to an outflow of RMB26.63 million in the same period ended in 2014.

Cash and cash equivalents as at 30 June 2015 is approximately RMB57.08 million, a decrease of RMB50.92 million as compared to RMB108.0 million as at 31 December 2014.

**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

In June 2015, the Group entered into Singapore market by acquiring Arete M Pte. Ltd. The Group foresees an optimistic outlook as demand for information-communications services is expected to rise and the financials of this acquisition will be fully reflected in the next quarter's results.

The Group's telecommunications business in China will also benefit from the ramp-up in demand for domestic 4G services.

#### Property

For the first half of 2015, several main domestic developers have seen recovered sales<sup>1</sup>, indicating a turnabout in the property market. The Group expects the property market to remain sanguine as a major pillar of China's economy. Rapid urbanisation trend in China will also continue to spur primary demand for quality properties.

The commercial property project in Lin Ping, Hangzhou Zhejiang province is expected to generate recurring and stable rental income.

The first and second phase of the Group's commercial property project in Wuchang ("Bafang City • Urban Complex Project") are now under construction and expected to be completed by the end of this year and by 2016 respectively. There are early signs of bottoming of the property market in China. If this trend continues, it will bore well for our property segment.

*Reference*

*1 China's property market shows signs of recovery, ShanghaiDaily.com, 14 July 2015.*  
[http://www.shanghaidaily.com/article/article\\_xinhua.aspx?id=292508](http://www.shanghaidaily.com/article/article_xinhua.aspx?id=292508)

## **11. Dividend**

### ***(a) Current Financial Period Reported On***

Any dividend declared for the current financial period reported on?

None

### ***(b) Corresponding Period of the Immediately Preceding Financial Year***

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

None

### ***(c) Date payable***

Not applicable

### ***(d) Books closure date***

Not applicable

## **12. If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared or recommended on second quarter ended 30 June 2015.

The final dividend and special dividend of total SGD0.0026 per ordinary share for the financial year ended 31 December 2014 were paid on 25 May 2015.

## **13. Confirmation pursuant to Rule 705(5) of the SGX Listing Manual**

The Board has confirmed that to the best of its knowledge, nothing has come to its attention which may render the unaudited financial statements of the Company or the unaudited consolidated financial statements of the Group for the second quarter ended 30 June 2015 to be false or misleading in any material respect.

14. **If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect**

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

**FOR AND ON BEHALF OF THE BOARD**

**Ye Tianyun  
Executive Chairman and CEO  
11 August 2015**