

# ACE ACHIEVE INFOCOM LIMITED

(Incorporated in Bermuda)

## Financial Statements and Dividend Announcement for the 12 months ended April 30, 2019

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### PART I – INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT.

- 1(a) 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.

#### UNAUDITED GROUP RESULTS FOR 12 MONTHS ENDED APRIL 30, 2019 Statement of comprehensive income

|   | Group                                    |  | Change<br>% |
|---|--|--|-------------|
|   | Unaudited<br>May 18 to Apr 19<br>RMB'000 | Unaudited<br>May 17 to Apr 18<br>RMB'000 |             |
| Revenue   | 4,867                                    | 184,808                                  | (97)        |
| Cost of sales   | (4,638)                                  | (149,811)                                | (97)        |
| <b>Gross profit</b>   | <b>229</b>                               | <b>34,997</b>                            | (99)        |
| Other operating income  | -  | 1,385                                    | (100)       |
| Selling and distribution expenses                                   | (85)                                     | (6,439)                                  | (99)        |
| Administrative expenses   | (6,822)                                  | (14,361)                                 | (49)        |
| Other operating expenses  | (5,758)                                  | (1,150)                                  | (400)       |
| Finance expenses  | (10,813)                                 | (9,222)                                  | (17)        |
| <b>(Loss)/Profit before income tax</b>                              | <b>(23,249)</b>                          | <b>5,210</b>                             | (556)       |
| Income tax expense  | -  | (740)                                    | (100)       |
| <b>(Loss)/Net profit for the financial year</b>                     | <b>(23,249)</b>                          | <b>4,470</b>                             | N.M         |
| <b>Total comprehensive (loss)/income<br/>for the financial year</b> | <b>(23,249)</b>                          | <b>4,470</b>                             | N.M         |
| <b>Attributable to:</b>   |  |  |             |
| <b>Equity holders of the Company</b>                                | <b>(23,249)</b>                          | <b>4,470</b>                             | N.M         |

**Note:**

N.M denotes not meaningful.

- (a) Note: Profit before income tax was arrived at after charging/(crediting) the following:

|   | Unaudited        | Unaudited        |
|---|------------------|------------------|
|   | May 18 to Apr 19 | May 17 to Apr 18 |
|   | RMB'000          | RMB'000          |
| Depreciation of plant and equipment           | 186              | 188              |
| Amortisation of intangible assets             | 2,978            | 2,978            |
| Allowance for impairment of trade receivables | 5,758            | 1,128            |
| Write back of impairment of trade receivables | -                | (188)            |
| Interest expenses                             | 10,813           | 9,222            |
| Provision for warranty                        |                  | 520              |
| Interest income                               |                  | (92)             |
| Write-back of VAT payables                    |                  | (1,083)          |
| Government incentives received                |                  | -                |

- (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.

|                                   | The Company    |                | The Group      |                |
|-----------------------------------|----------------|----------------|----------------|----------------|
|                                   | 30-Apr-19      | 30-Apr-18      | 30-Apr-19      | 30-Apr-18      |
|                                   | RMB'000        | RMB'000        | RMB'000        | RMB'000        |
|                                   | Unaudited      | Unaudited      | Unaudited      | Unaudited      |
| <b>ASSETS</b>                     |                |                |                |                |
| <b>Current Assets</b>             |                |                |                |                |
| Contract work-in-progress         | -              | -              | 353,768        | 358,405        |
| Trade receivables                 | -              | -              | 383,593        | 383,851        |
| Other receivables                 | 172            | 172            | 91,137         | 91,137         |
| Due from subsidiaries (non-trade) | 158,941        | 158,941        | -              | -              |
| Cash and bank balances            | 4              | 4              | 644            | 36,004         |
| <b>Total current assets</b>       | <b>159,117</b> | <b>159,117</b> | <b>829,142</b> | <b>869,397</b> |
| <b>Non-Current Assets</b>         |                |                |                |                |
| Plant and equipment               | -              | -              | 213            | 400            |
| Investment in subsidiaries        | 15,646         | 15,646         | -              | -              |
| Intangible assets                 | -              | -              | 8,013          | 10,991         |
| <b>Total non-current assets</b>   | <b>15,646</b>  | <b>15,646</b>  | <b>8,226</b>   | <b>11,391</b>  |
| <b>Total assets</b>               | <b>174,763</b> | <b>174,763</b> | <b>837,368</b> | <b>880,788</b> |

|  | The Company    |                | The Group      |                |
|--|----------------|----------------|----------------|----------------|
|  | 30-Apr-19      | 30-Apr-18      | 30-Apr-19      | 30-Apr-18      |
|  | RMB'000        | RMB'000        | RMB'000        | RMB'000        |
|  | Unaudited      | Unaudited      | Unaudited      | Unaudited      |
| <b>LIABILITIES AND EQUITY</b>  |                |                |                |                |
| <b>Current Liabilities</b>   |                |                |                |                |
| Trade payables   | -              | -              | 103,730        | 103,730        |
| Other payables and accruals  | 4,256          | 2,631          | 98,275         | 129,259        |
| Due to directors (non-trade)   | -              | -              | 1,182          | 1,182          |
| Due to related parties   | -              | -              | -              | -              |
| Provision for warranty   | -              | -              | 15,112         | 4,299          |
| Borrowings   | -              | -              | 138,280        | 138,280        |
| Current tax liabilities  | -              | -              | 19,147         | 19,147         |
| <b>Total current liabilities</b>   | <b>4,256</b>   | <b>2,631</b>   | <b>375,726</b> | <b>395,897</b> |
| <b>Non-Current Liabilities</b>   |                |                |                |                |
| Borrowings   | -              | -              | 5,900          | 5,900          |
| Deferred tax liabilities   | -              | -              | 24,246         | 24,246         |
| <b>Total non-current liabilities</b>                                     | <b>-</b>       | <b>-</b>       | <b>30,146</b>  | <b>30,146</b>  |
| <b>Total liabilities</b>   | <b>4,256</b>   | <b>2,631</b>   | <b>405,872</b> | <b>426,043</b> |
| <b>Capital and Reserves attributable to equity holder of the Company</b> |                |                |                |                |
| Share capital  | 92,938         | 92,938         | 92,938         | 92,938         |
| Share premium  | 85,226         | 85,226         | 85,226         | 85,226         |
| Statutory reserves   | -              | -              | 35,277         | 35,277         |
| Capital reserve  | -              | -              | 3,332          | 3,332          |
| (Accumulated losses) / Retained earnings                                 | (7,657)        | (6,032)        | 214,724        | 237,972        |
| <b>Total equity</b>  | <b>170,506</b> | <b>172,132</b> | <b>431,496</b> | <b>454,745</b> |
| <b>Total liabilities and equity</b>                                      | <b>174,763</b> | <b>174,763</b> | <b>837,368</b> | <b>880,788</b> |

**1(b)(ii) Aggregate amount of Group's borrowings and debts securities**

**Amount repayable in 1 year or less, or on demand**

| Group<br>April 30, 2019<br>Unaudited |                      | Group<br>April 30, 2018<br>Unaudited |                      |
|--------------------------------------|----------------------|--------------------------------------|----------------------|
| Secured<br>RMB'000                   | Unsecured<br>RMB'000 | Secured<br>RMB'000                   | Unsecured<br>RMB'000 |
| 139,280                              |                      | 139,280                              | -                    |

**Amount repayable after 1 year**

| Group<br>April 30, 2019<br>Unaudited |                      | Group<br>April 30, 2018<br>Unaudited |                      |
|--------------------------------------|----------------------|--------------------------------------|----------------------|
| Secured<br>RMB'000                   | Unsecured<br>RMB'000 | Secured<br>RMB'000                   | Unsecured<br>RMB'000 |
| 4,900                                | -                    | 4,900                                | -                    |

|                             | Group                     |                           |
|-----------------------------|---------------------------|---------------------------|
|                             | April 30, 2019<br>RMB'000 | April 30, 2018<br>RMB'000 |
| <b>Borrowings comprised</b> |                           |                           |
| - Bank loans                | 60,065                    | 60,065                    |
| - Letter of credit          | 84,115                    | 84,115                    |
|                             | <u>144,180</u>            | <u>144,180</u>            |

**Details of any collateral**

As at April 30, 2019 and April 30, 2018, the Group's borrowings comprised mainly bank loans and letter of credit. Bank borrowings are secured over certain intangible assets; guaranteed by a director of the Company; third parties; a key management personnel and third parties financial institutions and certain restricted bank balances.

**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.**

|   | <b>Unaudited<br/>May 18 to Apr 19<br/>RMB'000</b> | <b>Unaudited<br/>May 17to Apr 18<br/>RMB'000</b> |
|---|---|--|
| <b>Cash Flows from Operating Activities</b>                   |   |  |
| Profit before income tax                                      | (23,249)  | 5,210  |
| Adjustments for :   |   |  |
| Amortisation of intangible assets                             | 2,978   | 2,978  |
| Allowance for impairment of trade receivables                 | 5,758   | 1,128  |
| Provision for warranty  |   | 520  |
| Depreciation of plant and equipment                           | 186   | 188  |
| Interest expense  | 10,813  | 7,138  |
| Interest income   | -   | (92)   |
| Operating cash flow before working capital changes            | (3,514)   | 17,070   |
| Contract work-in-progress                                     | 4,637   | 15,619   |
| Trade receivables   | (5,500)   | (69,210)   |
| Other receivables   |   | (12,032)   |
| Trade payables  | -   | 36,552   |
| Other payables, accruals and provision                        | (31,280)  | 64,121   |
| <b>Cash from operations</b>                                   | (35,360)  | 52,120   |
| Interest paid   |   | (7,138)  |
| <b>Net cash generated from/(used in) operating activities</b> | (35,360)  | 44,982   |

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)**

|  | <b>Unaudited<br/>May 18 to Apr 19<br/>RMB'000</b> | <b>Unaudited<br/>May 17 to Apr 18<br/>RMB'000</b> |
|--|---|---|
| <b>Cash Flows from Investing Activities</b>  |   |   |
| Additions of plant and equipment   | -   | (58)  |
| Additions of intangible assets   | -   | (4,435)   |
| Interest received  | -   | 92  |
| <b>Net cash used in investing activities</b>   | -   | (4,401)   |
| <b>Cash flows from Financing Activities</b>  |   |   |
| Proceeds from bank borrowings  | -   | 144,180   |
| Repayment of bank borrowings   | -   | (179,316)   |
| Repayment to related parties   | -   | (100)   |
| Loans from third parties and financial institutions  | -   | -   |
| _Repayment to third parties and financial institutions   | -   | -   |
| Advances from directors  | -   | 29  |
| Movements in restricted bank balances  | -   | (3,471)   |
| <b>Net cash used in financing activities</b>   |   | (38,678)  |
| <b>Net (decrease) / increase in cash and cash equivalents</b>  | (35,360)  | 1,903   |
| <b>Cash and cash equivalents at the beginning of the financial year</b>                                      | 36,004  | 3,865   |
| <b>Cash and cash equivalents at the end of the financial year</b>  | 644   | 5,768   |
| <b>Cash and bank balances</b>  | 644   | 36,004  |
| <b>Less: Restricted bank balances</b>  | -   | (30,236)  |
| <b>Cash and cash equivalents for the purpose of presentation in the consolidated statement of cash flows</b> | 644   | 5,768   |

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 capitalization 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                                 | Share premium | Statutory reserves | Capital reserve | Retained earnings | Total    |
|   | RMB'000                                       | RMB'000       | RMB'000            | RMB'00          | RMB'000           | RMB'000  |
| <b>Group</b>                                      |   |               |                    |                 |                   |          |
| <b>Balance at 01.05.2017</b>                      | 92,938  | 85,226        | 34,858             | 3,332           | 233,921           | 450,275  |
| Total comprehensive income for the financial year | -   | -             | -                  | -               | 4,470             | 4,470    |
| Transfer to statutory reserves                    | -   | -             | 419                | -               | (419)             | -        |
| <b>Balance at 30.04.2018</b>                      | 92,938  | 85,226        | 35,277             | 3,332           | 237,972           | 454,745  |
| <b>Balance at 01.05.2018</b>                      | 92,938  | 85,226        | 35,277             | 3,332           | 237,972           | 454,745  |
| Total comprehensive loss for the financial year   | -   | -             | -                  | -               | (23,249)          | (23,249) |
| Transfer to statutory reserves                    | -   | -             | -                  | -               | -                 | -        |
| <b>Balance at 30.04.2019</b>                      | 92,938  | 85,226        | 35,277             | 3,332           | 214,724           | 431,496  |
|   |   |               |                    |                 |                   |          |
|   | Share capital                                 | Share premium | Accumulated losses | Total           |                   |          |
|   | RMB'000                                       | RMB'000       | RMB'000            | RMB'00          |                   |          |
| <b>Company</b>                                    |   |               |                    |                 |                   |          |
| <b>Balance at 01.05.2017</b>                      | 92,938  | 85,226        | (3,933)            | 174,231         |                   |          |
| Total comprehensive loss for the financial year   | -   | -             | (2,099)            | (2,099)         |                   |          |
| <b>Balance at 30.04.2018</b>                      | 92,938  | 85,226        | (6,032)            | 172,132         |                   |          |
| <b>Balance at 01.05.2018</b>                      | 92,938  | 85,226        | (6,032)            | 172,132         |                   |          |
| Total comprehensive loss for the financial year   | -   | -             | (1,626)            | (1,626)         |                   |          |
| <b>Balance at 30.04.2019</b>                      | 92,938  | 85,226        | (7,657)            | 170,506         |                   |          |



**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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and number of subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

| Number of ordinary shares issued and fully paid |             |
|---|-------------|
| As at April 30, 2018                            | 752,000,000 |
| As at April 30, 2019                            | 752,000,000 |

There were no outstanding convertibles, treasury shares and subsidiary holdings as at 30 April 2019 and 30 April 2018.

**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.**

|   | As at 30 April 2019 | As at 30 April 2018 |
|---|---------------------|---------------------|
| Total number of issued shares                     | 752,000,000         | 752,000,000         |
| Less: Treasury shares                             | -                   | -                   |
| Number of issued shares excluding treasury shares | 752,000,000         | 752,000,000         |

**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.

During the current financial year and the immediately preceding financial year, the Company does not have any outstanding treasury shares.

**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. The Company did not have any subsidiary holdings during and 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.**

The Group and the Company has applied the same accounting policies and methods of computation in the financial statements for the current financial year ended 30 April 2019 compared to the audited financial statements for the previous financial year ended 30 April 2018, except for the adoption of the new and revised Financial Reporting Standards ("FRS"), that are relevant to the Group and the Company and effective for annual periods beginning on or after 1 May 2018.

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 and revised FRS, that are relevant to the Group and the Company and effective from 1 May 2018, as mentioned in Paragraph 4 above, has no material impact on the financial statements of the Group and the Company for the current financial year reported on.

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:-**

| (Loss)/Earnings per ordinary share for the year based on net profit attributable to shareholders | Unaudited<br>(12 months)<br>May 18 to<br>Apr 19 | Unaudited<br>(12 months)<br>May 17 to<br>Apr 18 |
|--|---|---|
| Based on weighted average number of ordinary shares on issue (RMB)                               | (3.09)  | 0.59  |
| On a fully diluted basis   | (3.09)  | 0.59  |

Note:

There is no dilutive instrument outstanding, hence the diluted earnings per share is the same as the basic earnings per share.

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.**

|   | Company                   |                           | Group                     |                           |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
|   | Unaudited<br>Apr 30, 2019 | Unaudited<br>Apr 30, 2018 | Unaudited<br>Apr 30, 2019 | Unaudited<br>Apr 30, 2018 |
| Net asset value per ordinary share based on the issued capital at the end of the year (RMB) | 0.23                      | 0.23                      | 0.57                      | 0.59                      |
| Number of shares used in calculating net asset value  | 752,000,000               | 752,000,000               | 752,000,000               | 752,000,000               |

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.**

In this fiscal year, the company was affected by the adverse economic environment in China and the dual adverse factors of 4G to 5G upgrade, resulting in a sharp decline in business revenue and significant fluctuations in related financial indicators. Therefore, for special reasons, the financial indicators of this fiscal year can no longer fully reflect the company's market position and subsequent development momentum. With the adjustment of China's domestic economic policies and the gradual improvement of the company's products and services under the 5G technical standard, the company's business will return to the normal development trend.

The company believes that all the difficulties are temporary, we can certainly reverse the adverse situation, out of the predicament, to create a better future belongs to the company.

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.**

The slowdown in 4G business investments continued during the year, due to the impact of unfavourable macroeconomic environment and market conditions. As a result, competition was fierce and the slowdown may continue and exert pressure on the Group's margins and continue to adversely impact the Group's business performance for the next twelve months.

In view of the challenging business environment, the Group will strive to keep a tight rein over its operating costs and monitor its receivables and collections closely.

The Group will endeavour to align its business structure and foster new business growth, and re-established management priorities and evaluation indicators for each business segment, with a view to improve the profitability of the Group, and will invest in new technology and upgrading to seek more business opportunities in the 5G businesses.

At the same time, in the future, China will invest a huge amount of new infrastructure in the fields related to the company's business. The company has the ability to quickly achieve its business development goals by virtue of its own capabilities and relying on the external environment.

## 11. Dividend

**(a) Current financial period reported on**

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

*No dividends have been declared for the current financial period reported on.*

**(b) Corresponding period of the immediately preceding financial year**

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

*No dividends have been declared for the corresponding period of the immediately preceding financial year.*

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable

**12. If no dividend has been declared (recommended), a statement to that effect.**

No dividend is recommended for the financial year under review.

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

The Group did not obtain a general mandate from shareholders for IPTS.

**14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7 under Rule 720(1))**

The Company confirms that it has procured undertakings from all of its directors and executive officers in the required format.

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

15. **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.**

**Business Segments**

|  | ICT<br>System<br>Integration | Business<br>Support<br>Solutions | Maintenance<br>& Servicing | Total      |
|--|------------------------------|----------------------------------|----------------------------|------------|
|  | RMB'000                      | RMB'000                          | RMB'000                    | RMB'000    |
| <b><u>2019</u></b>                               |                              |                                  |                            |            |
| Revenue  | 4,867                        |                                  |                            | 4,867      |
| Cost of sales                                    | (4,638)                      |                                  |                            | (4,638)    |
| <b>Segment result</b>                            | <b>229</b>                   |                                  |                            | <b>229</b> |
| Gross profit margin                              | 4.7%                         |                                  |                            |            |
| Unallocated other income                         |                              |                                  |                            |            |
| Unallocated costs                                |                              |                                  |                            |            |
| Finance income                                   |                              |                                  |                            |            |
| Finance expenses                                 |                              |                                  |                            | (10,813)   |
| Profit before income tax                         |                              |                                  |                            | (23,249)   |
| Income tax expense                               |                              |                                  |                            |            |
| Net profit after income tax                      |                              |                                  |                            | (23,249)   |
| <b>Assets and Liabilities</b>                    |                              |                                  |                            |            |
| Unallocated assets and<br>total assets           |                              |                                  |                            | 837,368    |
| Unallocated liabilities and<br>total liabilities |                              |                                  |                            | 405,860    |

|  | ICT System<br>Integration | Business<br>Support<br>Solutions | Maintenance<br>& Servicing | Total          |
|--|---------------------------|----------------------------------|----------------------------|----------------|
|  | RMB'000                   | RMB'000                          | RMB'000                    | RMB'000        |
| <b><u>2018</u></b>                               |                           |                                  |                            |                |
| Revenue  | 114,926                   | 61,398                           | 8,484                      | <b>184,808</b> |
| Cost of sales                                    | (111,193)                 | (32,978)                         | (5,640)                    | (149,811)      |
| <b>Segment result</b>                            | <b>3,733</b>              | <b>28,420</b>                    | <b>2,844</b>               | <b>34,997</b>  |
| Gross profit margin                              | 3.2%                      | 46.3%                            | 33.5%                      |                |
| Unallocated other income                         |                           |                                  |                            | ,1,293         |
| Unallocated costs                                |                           |                                  |                            | (21,950)       |
| Finance income                                   |                           |                                  |                            | 92             |
| Finance expenses                                 |                           |                                  |                            | (9,222)        |
| Profit before income tax                         |                           |                                  |                            | 5,210          |
| Income tax expense                               |                           |                                  |                            | (740)          |
| Net profit after income tax                      |                           |                                  |                            | <b>4,470</b>   |
| <b>Assets and Liabilities</b>                    |                           |                                  |                            |                |
| Unallocated assets and<br>total assets           |                           |                                  |                            | 880,788        |
| Unallocated liabilities and<br>total liabilities |                           |                                  |                            | 426,043        |

- 16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.



**17. Breakdown of sales as follows:**

|   | THE GROUP         |                   |          |
|---|-------------------|-------------------|----------|
|   | FY2019<br>RMB'000 | FY2018<br>RMB'000 | % change |
| (a) Sales reported for first half year  | 0                 | 105,244           | (100)    |
| (b) Operating profit after tax before deducting minority interests reported for first half year           | 0                 | 2,989             | (100)    |
| (a) Sales reported for second half year   | 4,867             | 79,564            | (94)     |
| (b) Operating profit / (loss) after tax before deducting minority interests reported for second half year | (23,249)          | 1,481             | (85)     |

**18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:**

Not applicable. There was no dividend declared or paid for FY2019 and FY2018.

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

Not applicable.

Deng Zelin  
Executive Chairman  
17 September 2020