



**CHINA MINING INTERNATIONAL LIMITED**

中矿国际有限公司

Registered in Cayman Islands

Company Registration No. CT-140095

---

**UNAUDITED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED 31 MARCH 2014  
("Q1 2014") IN RESPECT OF THE FINANCIAL YEAR ENDING 31 DECEMBER 2014 ("FY2014")**

---

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 year of the immediately preceding financial year

	The Group		
	Q1 2014 RMB'000	Q1 2013 RMB'000	% Change
Revenue	14,696	69,087	(79)
Cost of sales	<u>(10,989)</u>	<u>(64,580)</u>	(83)
Gross profit	3,707	4,507	(18)
Fair value loss on financial assets	-	(4,527)	N/M
Selling and distribution expenses	(322)	(475)	(32)
General and administrative expenses	(5,982)	(6,972)	(14)
Other income/(expenses)	23	(408)	N/M
Share of losses of joint ventures	(100)	(78)	28
Finance income/(costs), net	<u>1,489</u>	<u>(705)</u>	N/M
Loss before tax	(1,185)	(8,658)	(86)
Income tax expenses	<u>(980)</u>	<u>(4,672)</u>	(79)
Loss for the period	<u>(2,165)</u>	<u>(13,330)</u>	(84)

"Q1 2013" and "Q1 2014" denotes the 3 financial months of financial period ended 31 March 2013 and 31 March 2014 respectively

"% Change" denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure

"N/M" denotes "Not meaningful"

**1.(a)(ii) The accompanying notes to the unaudited financial statements form an integral part of the financial statements**

<b>The Group</b>		
<b>Q1 2014</b>	Q1 2013	%
<b>RMB'000</b>	RMB'000	Change

Loss before tax has been arrived at after charging/(crediting):

Depreciation of property, plant and equipment	<b>362</b>	301	20
Net foreign currency exchange gain	<b>62</b>	37	68
Amortization of land use rights	<b>1</b>	1	-
Interest expenses	-	705	N/M
Interest income	<b>(1,489)</b>	(46)	3,137

*“Q1 2013” and “Q1 2014” denotes the 3 financial months of financial period ended 31 March 2013 and 31 March 2014 respectively*

*“% Change” denotes increase/(decrease) in the relevant profit or loss item as compared with the comparative figure.*

*“N/M” denotes “Not meaningful”.*

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

**Statements of financial position of the Group and the Company as at 31 December 2013 and 31 March 2014**

	The Group		The Company	
	31 March 2014 RMB'000	31 December 2013 RMB'000	31 March 2014 RMB'000	31 December 2013 RMB'000
<b>Non-current assets</b>				
Property, plant and equipment	5,598	5,928	898	947
Land use rights	57	58	-	-
Investments in subsidiaries	-	-	352,212	352,212
Equity accounted investment in joint ventures	83,900	84,000	-	-
	<b>89,555</b>	<b>89,986</b>	<b>353,110</b>	<b>353,159</b>
<b>Current assets</b>				
Completed properties for sale	109,720	120,709	-	-
Prepayments and other receivables	289,555	78,980	599	613
Amounts due from subsidiaries (non-trade)	-	-	1,302	1,299
Amounts due from related parties (non-trade)	329	327	329	327
Amounts due from joint ventures (non-trade)	3,826	3,699	-	-
Amounts due from joint ventures partner (non-trade)	-	25,000	-	-
Income tax recoverable	69	69	-	-
Available for sales financial asset	-	7,000	-	-
Pledged bank deposits	9,149	9,121	-	-
Cash and cash equivalents	6,368	206,934	1,713	5,916
	<b>419,016</b>	<b>451,839</b>	<b>3,943</b>	<b>8,155</b>
<b>Current liabilities</b>				
Trade payables	17,792	27,505	-	-
Sales and rental deposits	45,239	57,753	-	-
Accruals and other payables	12,756	19,151	1,165	3,898
Amount due to subsidiaries (non-trade)	-	-	73	1
Amounts due to related parties (non-trade)	5,974	6,033	5,683	5,683
Amounts due to joint ventures (non-trade)	1,291	687	-	-
Amounts due to joint venture partner (non-trade)	11	11	-	-
Income tax payables	41,987	44,997	-	-
	<b>125,050</b>	<b>156,137</b>	<b>6,921</b>	<b>9,582</b>
<b>Net current assets/(liabilities)</b>	<b>293,966</b>	<b>295,702</b>	<b>(2,978)</b>	<b>(1,427)</b>
	<b>383,521</b>	<b>385,688</b>	<b>350,132</b>	<b>351,732</b>
<b>Capital and reserves</b>				
Issued capital	5,897	5,897	5,897	5,897
Share premium	224,594	224,594	224,594	224,594
Treasury shares	(18)	(18)	(18)	(18)
Capital reserve	49,031	49,031	-	-
Distributable reserve	362,461	362,461	362,461	362,461
Accumulated losses	(266,773)	(264,608)	(242,802)	(241,202)
Total equity	<b>375,192</b>	<b>377,357</b>	<b>350,132</b>	<b>351,732</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	8,329	8,331	-	-
	<b>8,329</b>	<b>8,331</b>	<b>-</b>	<b>-</b>
	<b>383,521</b>	<b>385,688</b>	<b>350,132</b>	<b>351,732</b>

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

There is no borrowing or debt security as at 31 December 2013 and 31 March 2014.

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

	<b>The Group</b>	
	<b>Q1 2014</b>	<b>Q1 2013</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>OPERATING ACTIVITIES</b>		
Loss before tax	(1,185)	(8,658)
Adjustments for:		
Amortisation of land use rights	1	1
Depreciation of property, plant and equipment	362	301
Foreign currency exchange gain	62	37
Fair value loss/gain on financial assets	-	4,527
Interest income	(1,489)	(46)
Interest expenses	-	705
Share of results of joint venture	100	78
Operating loss before working capital changes	<u>(2,149)</u>	<u>(3,055)</u>
Completed properties for sale	10,989	52,342
Properties under development for sale	-	(9,472)
Prepayments and other receivables	39,425	14,829
Trade payables	(9,713)	6,880
Sales and rental deposits	(12,514)	(13,430)
Accruals and other payables	(6,458)	(7,452)
Cash generated from operations	<u>19,580</u>	<u>40,642</u>
Income tax paid	<u>(3,991)</u>	<u>(12,653)</u>
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b><u>15,589</u></b>	<b><u>27,989</u></b>
<b>INVESTING ACTIVITIES</b>		
Increase in pledged bank deposits	(28)	(486)
Payment from joint venture partner	25,000	-
Deposit for tender of a land	(250,000)	-
Amount due from joint venture	477	(352)
Proceed from disposal of financial assets	7,000	-
Interest received	1,489	46
Purchase of property, plant and equipment	(32)	(300)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b><u>(216,094)</u></b>	<b><u>(1,092)</u></b>
<b>FINANCING ACTIVITIES</b>		
Amounts (paid to)/received from related parties	(61)	1,455
<b>NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES</b>	<b><u>(61)</u></b>	<b><u>1,455</u></b>
<b>(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b><u>(200,566)</u></b>	<b><u>28,352</u></b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b><u>206,934</u></b>	<b><u>183,990</u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>6,368</u></b>	<b><u>212,342</u></b>

1.(d) A statements of comprehensive income (for the issuer and group), together with a comparative statement for the corresponding year of the immediately preceding financial period.

Unaudited consolidated statements of comprehensive income of the Group and the Company for the financial year ended 31 December 2013 and 31 March 2014

Total comprehensive loss for the year attributable to:

	<u>The Group</u>	
	<u>Q1 2014</u>	<u>Q1 2013</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Loss for the period	(2,165)	(13,330)
Other comprehensive income for the period	-	-
Total comprehensive expense for the period	<u>(2,165)</u>	<u>(13,330)</u>

	<u>The Group</u>	
	<u>Q1 2014</u>	<u>Q1 2013</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Owners of the Company	(2,165)	(13,330)
Non-controlling interests	-	-
	<u>(2,165)</u>	<u>(13,330)</u>

Total comprehensive loss for the year attributable to:

	<u>The Company</u>	
	<u>Q1 2014</u>	<u>Q1 2013</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Loss for the period	(1,600)	(610)
Other comprehensive expense for the period	-	-
Total comprehensive expense for the period	<u>(1,600)</u>	<u>(610)</u>

	<u>The Company</u>	
	<u>Q1 2014</u>	<u>Q1 2013</u>
	<u>RMB'000</u>	<u>RMB'000</u>
Owners of the Company	(1,600)	(610)
Non-controlling interests	-	-
	<u>(1,600)</u>	<u>(610)</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 capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding year of the immediately preceding financial year.

**Unaudited consolidated statement of changes in equity of the Group for the year ended 31 December 2013 and 31 March 2014**

	The Group								
	Share capital	Share premium	Capital reserve	Distributable reserve	Treasury shares	Accumulated losses	Attributable to owners of the Company	Non controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2014	5,897	224,594	49,031	362,461	(18)	(264,608)	377,357	-	377,357
Total comprehensive loss for the year	-	-	-	-	-	(2,165)	(2,165)	-	(2,165)
<b>Balance as at 31.3.2014</b>	<b>5,897</b>	<b>224,594</b>	<b>49,031</b>	<b>362,461</b>	<b>(18)</b>	<b>(266,773)</b>	<b>375,192</b>	<b>-</b>	<b>375,192</b>

	The Group								
	Share capital	Share premium	Capital reserve	Distributable reserve	Treasury shares	Accumulated losses	Attributable to owners of the Company	Non controlling interests	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2013	368,358	224,594	49,031	-	(18)	(134,922)	507,043	-	507,043
Total comprehensive loss for the year	-	-	-	-	-	(13,330)	(13,330)	-	(13,330)
<b>Balance as at 31.3.2013</b>	<b>368,358</b>	<b>224,594</b>	<b>49,031</b>	<b>-</b>	<b>(18)</b>	<b>(148,252)</b>	<b>493,713</b>	<b>-</b>	<b>493,713</b>

	The Company					
	Share capital	Share premium	distributable reserve	Treasury shares	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2014	5,897	224,594	362,461	(18)	(241,202)	351,732
Total comprehensive loss for the year	-	-	-	-	(1,600)	(1,600)
<b>Balance as at 31.3.2014</b>	<b>5,897</b>	<b>224,594</b>	<b>362,461</b>	<b>(18)</b>	<b>(242,802)</b>	<b>350,132</b>

	The Company					
	Share capital	Share premium	distributable reserve	Treasury shares	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2013	368,358	224,594	-	(18)	101,754	694,688
Total comprehensive loss for the year	-	-	-	-	(610)	(610)
<b>Balance as at 31.3.2013</b>	<b>368,358</b>	<b>224,594</b>	<b>-</b>	<b>(18)</b>	<b>101,144</b>	<b>694,078</b>

**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 year reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total issued shares excluding treasury shares of the issuer, as at the end of the current financial year reported on and as at the end of the corresponding year of the immediately preceding financial year.**

Issued capital

There was no movement in the Company's share capital during the financial year ended 31 December 2013 and three months period ended 31 March 2014.

Employee Share Option Scheme

No share options were issued for the year ended 31 December 2013 and period ended 31 March 2014 and there was no ordinary share that may be issued upon the exercise of any share option outstanding as at 31 December 2013 and 31 March 2014.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial year and as at the end of the immediately preceding year.**

Total number of issued ordinary shares as at 31.3.2014 and 31.12.2013 (excluding treasury shares) 1,173,508,000

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

Total number of treasury shares as at 31.3.2014 and 31.12.2013 92,000

**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 auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

The figures have not been audited or reviewed by the auditors.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited financial statements have been applied.**

The same accounting policies and methods of computation adopted by the Group in respect of the audited financial statements for the financial year ended 31 December 2013 have been consistently applied by the Group for the financial year presented.

**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 are no changes in the accounting policies and methods of computation, including any required by an accounting standard.

6. Earnings per ordinary share of the group for the current year reported on and the corresponding year 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).

	<u>The Group</u>	
	<u>Q1 2014</u> RMB'000	<u>Q1 2013</u> RMB'000
<b>Loss attributable to owners of the Company</b>	<b>(2,165)</b>	<b>(13,330)</b>
Basic (Singapore cents) <sup>(1)</sup>	<b>(0.04) cents</b>	<b>(0.22) cents</b>
Diluted (Singapore cents) <sup>(1)</sup>	<b>(0.04) cents</b>	<b>(0.22) cents</b>

**Notes:**

(1) Calculated based on the average exchange rate in Q1 2014 at S\$1: RMB4.82 (Q1 2013: S\$1: RMB5.07). Based on the issued ordinary shares of 1,173,508,000 (excluding treasury shares) for Q1 2013 and Q1 2014. The Company has no dilutive potential ordinary shares in Q1 2013 and Q1 2014.

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 year reported on; and (b) immediately preceding financial year.

	<u>The Group</u>		<u>The Company</u>	
	<u>31 March</u> <u>2014</u> RMB'000	31 December 2013 RMB'000	<u>31 March</u> <u>2014</u> RMB'000	31 December 2013 RMB'000
Net asset value (excluding non-controlling interests) as at end of financial year	<b>375,192</b>	377,357	<b>350,132</b>	351,732
Net asset value per ordinary share as at the end of financial year (Singapore cents) <sup>(1)</sup>	<b>6.62 cents</b>	6.69 cents	<b>6.18 cents</b>	6.23 cents

**Note:**

(1) Calculated based on exchange rate of S\$1: RMB4.83 as at 31 March 2014 (as at 31 December 2013: S\$1: RMB4.81) and 1,173,508,000 ordinary shares (excluding treasury shares) as at 31 December 2013 and 31 March 2014.

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 year 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 year reported on.

**(a) Review of consolidated statement of comprehensive income of the Group for Q1 2014 (relative to that for Q1 2013)**

**Turnover**

The Group's turnovers (net of sales tax) generated in Q1 2014 *vis-à-vis* Q1 2013 were as follow:

	<u>Q1 2014</u>		<u>Q1 2013</u>	
	RMB million	%	RMB million	%
(1) Sales of developed properties	<b>14.7</b>	<b>100</b>	<b>9.0</b>	<b>13</b>
(2) Shopping Mall II Disposal (as defined below)	-	-	<b>60.1</b>	<b>87</b>
	<b>14.7</b>	<b>100</b>	69.1	100



Our overall turnover decreased by RMB54.4 million or 79% from RMB69.1 million in Q1 2013 to RMB14.7 million in Q1 2014. The decrease was principally attributed to the disposal of Shining Shopping Mall II (the “Shopping Mall II Disposal”) in Q1 2013, albeit an increase in the sales of completed units in respect of the Xinxiang Sunny Town Project (新乡阳光新城项目) as more property units were completed and handed over to the buyers concerned in Q1 2014.

#### **Gross profit**

Excluding the one-off Shopping Mall II Disposal, the Group registered a lower gross profit of RMB3.7 million in Q1 2014 compared to that of RMB4.5 million in Q1 2013 and at a lower gross profit margin of about 25% in Q1 2014 compared to that of about 50% in Q1 2013, due principally to increased costs of labour and construction materials.

#### **Selling and Distribution expenses / General and administrative expenses**

In line with business activities, our selling and distribution expenses decreased by RMB153,000 or 32% from RMB475,000 in Q1 2013 to RMB322,000 in Q1 2014 and our general and administrative expenses decreased by RMB1.0 million or 14% from RMB7.0 million in Q1 2013 to RMB6.0 million in Q1 2014.

#### **Other income/(expenses)**

We registered other expenses of about RMB408,000 in Q1 2013 *vis-à-vis* an other income of about RMB23,000 in Q1 2014.

Our other expenses registered in Q1 2013 were mainly attributed to the payment of revenue related business taxes and other surcharges

Our other income attained in Q1 2014 was mainly attributed to exchange gain.

#### **Share of losses of joint ventures**

The Group’s share of loss of joint ventures increased by RMB22,000 or 28% from RMB78,000 in Q1 2013 to RMB100,000 in Q1 2014. The increase was attributed mainly to increased operating expenses incurred by Tian Cheng Holdings Limited (“天晟控股有限公司”), particularly in respect of the two iron ore mines it owned which have yet to commence production.

#### **Finance income/(costs)**

We registered a finance cost of about RMB705,000 in Q1 2013 *vis-à-vis* a finance income of about RMB1.5 million in Q1 2014.

Our finance cost registered in Q1 2013 was attributed mainly to the fair value loss in respect of the Group’s investment in Q1 2012 in a security listed on the Shenzhen Stock Exchange as announced by the Company on 13 January 2012 (the “Quoted Investment”); the Quoted Investment was fully disposed off by the Group in Q4 2013 as announced by the Company on 28 December 2013.

Our finance income attained in Q1 2014 was attributed principally to bank interest earned.

#### **Loss before tax**

Following from the above, the Group recorded a loss before tax of RMB8.6 million in Q1 2013 compared to that of RMB1.2 million in Q1 2014.

#### **Income tax expenses**

In line with reduced sales of developed properties, our income tax expenses decreased by RMB3.7 million or 79% from RMB4.7 million in Q1 2013 to RMB1.0 million in Q1 2014.

#### **Net loss attributable to owners of the Company**

Accordingly, the amount attributable to the owners of the Company was a net loss of RMB13.3 million for Q1 2013 compared to that of RMB2.2 million for Q1 2014.

#### **(b) Review of statements of financial position of the Group as at 31 March 2014 (relative to that as at 31 December 2013)**

##### **Current assets**

Our completed properties for sale decreased by RMB11.0 million or 9% due mainly to the delivery of completed units to buyers.

The decreases in amount due from joint venture partners by RMB25.0 million were due principally to collections received.

The available for sales financial asset as at 31 December 2013 comprised fixed yield short term investments which were disposed off as at 31 March 2014.

The decrease in cash and bank balances by RMB200.6 million or 97% was attributed principally to a remittance of RMB250.0 million made in February 2014 to jointly participate in a tender for the development of a piece of land in Beijing (the "Tender") ("Tender Remittance"). The Tender Remittance was subsequently refunded to the Group in April 2014 after the Group decided not to go ahead with the Tender as market intelligence suggested that its Tender would likely be out-bid due to intense market competition.

The increases in prepayments and other receivables by RMB210.6 million or more than two-fold were due principally to the Tender Remittance.

Taken as a whole, our current assets decreased by RMB32.8 million or 7% from RMB451.8 million as at 31 December 2013 to RMB419.0 million as at 31 March 2014.

### **Current liabilities**

Our sales and rental deposits collectively decreased by RMB12.5 million or 22%, due principally to the recognition of sales deposits as revenue upon the delivery of the completed property units to the buyers concerned.

The decreases in accruals and other payables by RMB6.4 million or 33% and trade payables by RMB9.7 million or 35% were due principally to repayments made by the Group.

The increase in amounts due to joint ventures by RMB604,000 or 88% from RMB687,000 as at 31 December 2013 to RMB1.3 million as at 31 March 2014 was in relation to expenses paid by the Group's two mining joint ventures on its behalf in Q1 2014.

Taken as a whole, our current liabilities decreased by RMB31.1 million or 20% from RMB156.1 million as at 31 December 2013 to RMB125.1 million as at 31 March 2014.

Consequence to the above, we registered a net cash generated from operating activities of RMB28.0 million in Q1 2013 as compared to that of RMB15.6 million in Q1 2014.

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

Nil

### **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 year and the next 12 months.**

Save for certain niche sectors and locations, the property market conditions in the PRC, in particular the non-first tier cities, generally remain challenging for the next 12 months due to the extensive austerity measures and credit tightening initiatives introduced by the Chinese government in curbing property speculation.

With regard to the iron ore mining business of the Group, iron ore is expected to continue to experience a decrease in market demand for the next 12 months, amidst a slowdown of the PRC economy made worst by the lacklustre construction sector underpinned by the spate of cooling measures to curb property speculation.

Notwithstanding the above, the Group is of the view that the long-term outlook for iron ore remains positive. Looking further ahead, the PRC's demand for steel is likely to continue to grow due principally to the ongoing urbanization of the PRC which is expected to underpin demand for high-density dwelling construction, which in turn is expected to provide a strong support for iron ore price. It is worthwhile to note that the iron ores to be mined at the two mines in Xinjiang, pursuant to the reverse takeover exercise currently being undertaken by the Company as announced on 11 July 2013 and 1 April 2014 (the "RTO Exercise"), are aimed to be further processed into reduced iron and metallurgy powder, the demand for which are expected to far exceed that for the unprocessed iron ore.

With regard to the RTO Exercise, the professionals involved are still in the process of carrying out their respective due diligence works. Appropriate announcements will be made by the Company as and when necessary to keep the shareholders of the Company informed of the progress status.

***Some of the statements in this release constitute "forward-looking statements" that do not directly or exclusively relate to historical facts. These forward-looking statements reflect our current intentions, plans, expectations, assumptions and beliefs about future events and are subject to risks, uncertainties and other factors, many of which are outside our control. Important factors that could cause actual results to differ materially from the expectations expressed or implied in the forward-looking statements include known and unknown risks. Because actual results could differ materially from our intentions, plans, expectations, assumptions and beliefs about the future, undue reliance must not be placed on these statements.***

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

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

No.

**(b)(i) Amount per share (cents)**

No.

**(b)(ii) Previous corresponding period (cents)**

No.

**(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).**

No.

**(d) The date the dividend is payable.**

No.

**(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.**

No.

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

No dividend has been declared or recommended for Q1 2014.

**13. If the group has obtained 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.**

<b>Name of the interested person</b>	<b>Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)</b>	<b>Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Nil	Nil	Nil

The Company does not have any general mandate from its shareholders concerning interested party transaction.

**14. Negative assurance on interim financial statements pursuant to Rule 705(4) of the Listing Manual**

To the best of our knowledge and belief, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements of the Group and the Company for the three-month period ended 31 March 2014 to be false or misleading in any material aspect.

Signed for and on behalf of the Board of Directors

**BY ORDER OF THE BOARD**

**Mr Li Bin**  
CEO and Director  
14 May 2014

**Ms Dong Lingling**  
Director