



## CHINA MINING INTERNATIONAL LIMITED

中矿国际有限公司

Registered in Cayman Islands

Company Registration No. CT-140095

### UNAUDITED FULL YEAR FINANCIAL STATEMENTS AND RELATED ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2013 (“FY2013”)

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		
	FY2013 RMB'000	FY2012 RMB'000	% Change
Revenue	134,409	90,093	49
Cost of sales	(110,894)	(59,655)	86
Gross profit	23,515	30,438	(23)
Impairment loss on:			
Completed properties for sale	-	(6,863)	N/M
Property under development for sale	(52,068)	-	N/M
Investment in joint ventures	(70,814)	(151,185)	(53)
Property, plant and equipment	-	(11,555)	N/M
Write back on impairment on:			
Completed properties for sale	186	507	(63)
Properties under development for sale	303	-	N/M
Selling and distribution expenses	(2,522)	(2,774)	(9)
General and administrative expenses	(36,609)	(42,091)	(13)
Other income	5,203	27,493	(81)
Other expenses	(10,635)	(24,396)	(56)
Share of losses of joint ventures	(436)	(287)	52
Finance (costs)/income, net	(1,905)	8,658	N/M
Loss before tax	(145,782)	(172,055)	(15)
Income tax (expenses)/credit	(8,904)	1,424	N/M
Loss from continuing operations	(154,686)	(170,631)	(9)
Loss from discontinued operations (Note 1)	-	(28,537)	N/M
Loss for the year	(154,686)	(199,168)	(22)

“FY2012” and “FY2013” denotes the full year or the twelve-month financial period ended 31 December 2012 and 31 December 2013 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>FY2013</b>	FY2012	%
	<b>RMB'000</b>	RMB'000	Change
Loss before tax has been arrived at after charging/(crediting):			
Allowance for doubtful other receivables	-	2,589	N/M
Depreciation of property, plant and equipment	<b>1,326</b>	2,657	(50)
Net foreign currency exchange gain/(loss)	<b>(26)</b>	(137)	(81)
Amortization of land use rights	<b>2</b>	2	N/M
Loss on disposal of property, plant and equipment	-	181	N/M
Loss on disposal of investment properties	-	15,100	N/M
Loss on disposal of financial assets at fair value through profit or loss	<b>3,435</b>	-	N/M
Loss on financial assets at fair value through profit or loss	<b>7,022</b>	24,073	(71)
Impairment loss on non-current assets held for sales	-	6,157	N/M
Impairment on property under development for sales	<b>52,068</b>	-	N/M
Write-off of investment properties	-	454	N/M
Write-back of provision on doubtful trade receivables	-	(717)	N/M
Write-back of provision on doubtful other receivables	-	(23,000)	N/M
Write-back of provision on taxation	-	(4,487)	N/M
Amortisation of unwinding discount on long term receivables	-	(12,074)	N/M
Interest expenses	<b>1,905</b>	4,625	(59)
Interest income	<b>(4,812)</b>	(1,209)	298

“FY2012” and “FY2013” denotes the full year or the twelve-month financial period ended 31 December 2012 and 31 December 2013 respectively.

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

“N/M” denotes “Not meaningful”.

**NOTE 1: LOSS FROM DISCONTINUED OPERATIONS**

	<b>The Group</b>	
	<b>FY2013</b>	FY2012
	<b>RMB'000</b>	RMB'000
Revenue	-	5,866
Other income	-	718
Expenses	-	(4,653)
Written off/change in fair value of investment properties	-	(454)
Loss on disposal of investment properties	-	(15,100)
Impairment loss on associates held for sale	-	(6,157)
Share of expenses of associates	-	(5,654)
Loss before tax from discontinued operations	-	(25,434)
Income tax expense relating to disposal	-	(3,103)
Net loss for the year from discontinued operations	-	(28,537)

**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 2012 and 31 December 2013**

	<b>The Group</b>		<b>The Company</b>	
	<b>31 December 2013 RMB'000</b>	<b>31 December 2012 RMB'000</b>	<b>31 December 2013 RMB'000</b>	<b>31 December 2012 RMB'000</b>
<b>Non-current assets</b>				
Property, plant and equipment	5,928	4,139	947	-
Land use rights	58	60	-	-
Investments in subsidiaries	-	-	352,212	213,738
Equity accounted investment in joint ventures	84,000	155,250	-	-
	<b>89,986</b>	<b>159,449</b>	<b>353,159</b>	<b>213,738</b>
<b>Current assets</b>				
Completed properties for sale	120,709	159,222	-	-
Properties under development for sale	-	74,382	-	-
Prepayments and other receivables	78,980	87,871	613	-
Amounts due from subsidiaries (non-trade)	-	-	1,299	492,891
Amounts due from related parties (non-trade)	327	1,455	327	-
Amounts due from joint ventures (non-trade)	3,699	2,543	-	-
Amounts due from joint ventures partner (non-trade)	25,000	-	-	-
Income tax recoverable	69	69	-	-
Financial assets at fair value through profit or loss	-	37,355	-	-
Available for sales financial asset	7,000	-	-	-
Pledged bank deposits	9,121	7,392	-	-
Cash and cash equivalents	206,934	183,990	5,916	890
	<b>451,839</b>	<b>554,279</b>	<b>8,155</b>	<b>493,781</b>
Non-current asset held for sales	-	40,000	-	-
	<b>451,839</b>	<b>594,279</b>	<b>8,155</b>	<b>493,781</b>
<b>Current liabilities</b>				
Trade payables	27,505	25,094	-	-
Sales and rental deposits	57,753	86,174	-	-
Accruals and other payables	44,151	55,523	3,898	1,283
Amount due to subsidiaries (non-trade)	-	-	1	11,548
Amounts due to related parties (non-trade)	6,033	-	5,683	-
Amounts due to joint ventures (non-trade)	687	1,264	-	-
Amounts due to joint venture partner (non-trade)	11	11	-	-
Share margin financing facility	-	19,192	-	-
Income tax payables	44,997	52,022	-	-
	<b>181,137</b>	<b>239,280</b>	<b>9,582</b>	<b>12,831</b>
<b>Net current assets/(liabilities)</b>	<b>270,702</b>	<b>354,999</b>	<b>(1,427)</b>	<b>480,950</b>
	<b>360,688</b>	<b>514,448</b>	<b>351,732</b>	<b>694,688</b>
<b>Capital and reserves</b>				
Issued capital	5,897	368,358	5,897	368,358
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	-
(Accumulated losses)/retained earnings	(289,608)	(134,922)	(241,202)	101,754
Total equity	<b>352,357</b>	<b>507,043</b>	<b>351,732</b>	<b>694,688</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities	8,331	7,405	-	-
	<b>8,331</b>	<b>7,405</b>	<b>-</b>	<b>-</b>
	<b>360,688</b>	<b>514,448</b>	<b>351,732</b>	<b>694,688</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 2012 and 31 December 2013.

**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>FY2013</b>	<b>FY2012</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>OPERATING ACTIVITIES</b>		
<b>Loss before tax:</b>		
Continuing operations	<b>(145,782)</b>	(172,055)
Discontinuing operations	-	(25,434)
Adjustments for:		
Allowance for doubtful other receivables	-	2,589
Amortisation of land use rights	<b>2</b>	2
Depreciation of property, plant and equipment	<b>1,326</b>	2,657
Foreign currency exchange gain	<b>(26)</b>	(137)
Impairment loss on completed properties for sale	-	6,863
Impairment loss on property under development for sale	<b>52,068</b>	-
Impairment loss on investment in joint venture	<b>70,815</b>	151,185
Impairment loss on property, plant and equipment	-	11,555
Impairment loss on non-current assets held for sale	-	6,157
Interest expenses	<b>1,905</b>	4,625
Interest income	<b>(4,812)</b>	(1,209)
Loss on disposal of property, plant and equipment	-	181
Loss on disposal on financial assets at fair value through profit or loss	<b>3,435</b>	-
Loss on disposal of investment properties	-	15,100
Write off of investment properties	-	454
Amortisation of unwinding discount on long-term receivables	-	(12,074)
Share of losses of associates	-	5,654
Share of losses of joint ventures	<b>435</b>	287
Write-back of impairment loss on completed properties for sale	<b>(186)</b>	(507)
Write-back of impairment loss on property under development for sale	<b>(303)</b>	-
Write-back of provision for doubtful trade receivables	-	(717)
Write-back of provision for doubtful other receivables	-	(23,000)
Write-back of other taxes	-	(4,487)
Net loss on financial assets at fair value through profit or loss	<b>7,022</b>	24,073
Operating cash flows before movements in working capital	<b>(14,101)</b>	(8,238)
Completed properties for sale	<b>38,699</b>	59,656
Properties under development for sale	<b>22,617</b>	(40,300)
Trade receivables	-	1,116
Prepayments and other receivables	<b>8,891</b>	17,092
Trade payables	<b>2,411</b>	(13,310)
Sales and rental deposits	<b>(28,421)</b>	(5,581)
Accruals and other payables	<b>(11,205)</b>	(3,112)
Non-current assets held for sales	<b>40,000</b>	-
Cash generated from operations	<b>58,891</b>	7,323
Income tax paid	<b>(15,002)</b>	(4,273)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>43,889</b>	3,050

	<b>The Group</b>	
	<b>FY2013</b>	<b>FY2012</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<b>INVESTING ACTIVITIES</b>		
Increase in pledged bank deposits	(1,729)	(2,038)
Other receivable	-	11,995
Advances to joint venture	(1,733)	(1,279)
Amount due to joint venture partner	(25,000)	(7,250)
Proceeds from disposal of investment properties	-	114,730
Interest received	4,812	1,209
Proceeds from disposal of available-for-sales financial assets	26,898	16,000
Investment in financial assets at fair value through profit or loss	-	(28,590)
Proceeds from disposal of financial assets at fair value through profit or loss	-	8,307
Dividend income	-	1,741
Proceeds from disposal of property, plant and equipment	-	629
Purchase of available for sale financial assets	(7,000)	-
Purchase of property, plant and equipment	(3,115)	(9,742)
<b>NET CASH (USED IN)/GENERATE FROM INVESTING ACTIVITIES</b>	<b>(6,867)</b>	<b>105,712</b>
<b>FINANCING ACTIVITIES</b>		
Amount received from/(repaid to) related parties	7,161	(1,036)
Repayment of margin facility	(19,192)	(23,694)
Interest paid	(1,905)	(553)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(13,936)</b>	<b>(25,283)</b>
Increase in cash and cash equivalents	23,086	83,479
Exchange difference on cash and cash equivalents	(142)	(54)
Cash and cash equivalents at beginning of year	183,990	100,565
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>206,934</b>	<b>183,990</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 2012 and 31 December 2013**

**Total comprehensive loss for the year attributable to:**

	<b>The Group</b>	
	<b>FY2013</b>	<b>FY2012</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Loss for the year	(154,686)	(199,168)
Other comprehensive loss for the year	-	-
<b>Total comprehensive loss for the year</b>	<b>(154,686)</b>	<b>(199,168)</b>
	<b>The Group</b>	
	<b>FY2013</b>	<b>FY2012</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Equity holder of the Company	(154,686)	(199,168)
Non-controlling interests	-	-
<b>Total comprehensive loss for the year</b>	<b>(154,686)</b>	<b>(199,168)</b>

**Total comprehensive loss for the year attributable to:**

	<b>The Company</b>	
	<b>FY2013</b>	<b>FY2012</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Loss for the year	<b>(342,956)</b>	(5,309)
Other comprehensive loss for the year	-	-
<b>Total comprehensive loss for the year</b>	<b><u>(342,956)</u></b>	<b><u>(5,309)</u></b>

	<b>The Company</b>	
	<b>FY2013</b>	<b>FY2012</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Equity holder of the Company	<b>(342,956)</b>	(5,309)
Non-controlling interests	-	-
<b>Total comprehensive loss for the year</b>	<b><u>(342,956)</u></b>	<b><u>(5,309)</u></b>

**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 2012 and 31 December 2013**

<b>The Group</b>									
	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
Reduction of par value from S\$0.0625 per share to S\$0.001 per share	(362,461)	-	-	362,461	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	-	-	(154,686)	(154,686)	-	(154,686)
<b>Balance as at 31.12.2013</b>	<b>5,897</b>	<b>224,594</b>	<b>49,031</b>	<b>362,461</b>	<b>(18)</b>	<b>(289,608)</b>	<b>352,357</b>	<b>-</b>	<b>352,357</b>

<b>The Group</b>									
	Share capital	Share premium	Capital reserve	Distributable reserve	Treasury shares	Retained earnings/ (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 1.1.2012	368,358	224,594	49,031	-	(18)	64,246	706,211	-	706,211
Total comprehensive loss for the year	-	-	-	-	-	(199,168)	(199,168)	-	(199,168)
Balance as at 31.12.2012	368,358	224,594	49,031	-	(18)	(134,922)	507,043	-	507,043

<b>The Company</b>						
	Share capital	Share premium	distributable Reserve	Treasury shares	Retained earnings/ (Accumulated losses)	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
Reduction of par value from S\$0.0625 per share to S\$0.001 per share	(362,461)	-	362,461	-	-	-
Total comprehensive loss for the year	-	-	-	-	(342,956)	(342,956)
<b>Balance as at 31.12.2013</b>	<b>5,897</b>	<b>224,594</b>	<b>362,461</b>	<b>(18)</b>	<b>(241,202)</b>	<b>351,732</b>

<b>The Company</b>						
	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 1.1.2012	368,358	224,594	-	(18)	107,063	699,997
Total comprehensive loss for the year	-	-	-	-	(5,309)	(5,309)
<b>Balance as at 31.12.2012</b>	<b>368,358</b>	<b>224,594</b>	<b>-</b>	<b>(18)</b>	<b>101,754</b>	<b>694,688</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

Subsequent to the completion of the reorganization of the share capital of the Company as announced by the Company on 15 April 2013, as at the date of this announcement, the authorized share capital of the Company is S\$500,000,000 (equivalent to about RMB2,536,333,000) divided into 500,000,000,000 ordinary shares with a par value of S\$0.001 each, of which 1,173,600,000 shares (including treasury shares) with a par value of S\$0.001 each have been issued and fully paid up

	<u>Group and Company</u>
	<u>RMB'000</u>
Issued capital as at 1 January 2013	368,358
Reduction of par value from S\$0.0625 per share to S\$0.001 per share during the year	<u>(362,461)</u>
Issued capital as at 31 December 2013	<u><u>5,897</u></u>

Employee Share Option Scheme

No share options were issued for the year ended 31 December 2013 and there was no ordinary share that may be issued upon the exercise of any share option outstanding as at 31 December 2013 (31 December 2012: Nil).

**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 1.1.2013 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 1.1.2013 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 2012 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).

	<b>The Group</b>	
	<b>FY2013</b> <b>RMB'000</b>	<b>FY2012</b> <b>RMB'000</b>
<b>Loss attributable to owners of the Company</b>	<b>(154,686)</b>	(199,168)
Basic (Singapore cents) <sup>(1)</sup>	<b>(2.67) cents<sup>(2)</sup></b>	(3.35) cents <sup>(2)</sup>
Diluted (Singapore cents) <sup>(1)</sup>	<b>(2.67) cents<sup>(3)</sup></b>	(3.35) cents <sup>(3)</sup>

**Notes:**

(1) Calculated based on the average exchange rate in FY2013 at S\$1: RMB4.94 (FY2012 at S\$1: RMB5.06). Based on the issued ordinary shares of 1,173,508,000 (excluding treasury shares) for FY2012 and FY2013. The Company has no dilutive potential ordinary shares in FY2012 and FY2013.

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.

	<b>The Group</b>		<b>The Company</b>	
	<b>31 December</b> <b>2013</b> <b>RMB'000</b>	31 December 2012 RMB'000	<b>31 December</b> <b>2013</b> <b>RMB'000</b>	31 December 2012 RMB'000
Net asset value (excluding non-controlling interests) as at end of financial year	<b>352,357</b>	507,043	<b>351,732</b>	694,688
Net asset value per ordinary share as at the end of financial year (Singapore cents) <sup>(1)</sup>	<b>6.24 cents</b>	8.39 cents	<b>6.23 cents</b>	11.49 cents

**Note:**

(1) Calculated based on exchange rate of S\$1: RMB4.81 as at 31 December 2013 (as at 31 December 2012: S\$1: RMB5.15) and 1,173,508,000 ordinary shares (excluding treasury shares) as at 31 December 2012 and 31 December 2013.

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 FY2013 (relative to that for FY2012)**

**Turnover**

The Group's turnovers (net of sales tax) generated in FY2013 *vis-à-vis* FY2012 were as follow:

	<b>FY2013</b>		<b>FY2012</b>	
	<b>RMB million</b>	<b>%</b>	<b>RMB million</b>	<b>%</b>
(1) Sales of developed properties	<b>77.3</b>	<b>58</b>	90.1	100
(2) Shopping Mall II Disposal (as defined below)	<b>57.1</b>	<b>42</b>	-	-
	<b>134.4</b>	<b>100</b>	90.1	100

Our overall turnover increased by RMB44.3 million or 49% from RMB90.1 million in FY2012 to RMB134.4 million in FY2013. The increase was principally attributed to the disposal of Shining Shopping Mall II (the "Shopping Mall II Disposal"), albeit a decrease in the sales of completed units in respect of the Xinxiang Sunny Town Project (新乡阳光新城项目) amidst weak property market sentiments.

#### **Gross profit**

Excluding the one-off Shopping Mall II Disposal, the Group registered a lower gross profit of RMB23.5 million in FY2013 compared to that of RMB30.4 million in FY2012 and at a lower gross profit margin of about 30% in FY2013 compared to that of about 34% in FY2012 due principally to increased costs of labour and construction materials.

#### **Impairment losses on property under development for sales**

The impairment losses were attributed to the prolonged delay in the completion of the sale of a piece of land located in Xinxiang New District as a result of the lack of visibility in the fulfillment of certain conditions required of the relevant Chinese authority concerning the sale (the "Impairment of the Xinxiang Project").

#### **Impairment losses on investment in joint ventures**

The impairment losses on investment in joint venture of RMB70.8 million in FY2013 were in relation to the Company's 50% equity interest in Tian Cheng Holdings Limited (天晟控股有限公司) ("Tian Cheng"), which, through its wholly-owned subsidiaries, namely Zhengzhou Bidi Trading Co., Ltd (郑州必砥商贸有限公司) ("Zhengzhou Bidi") and Zhengzhou Mai Yong Trading Co., Ltd (郑州迈永商贸有限公司) ("Zhengzhou Mai Yong"), wholly-owned the exploration rights to an iron ore mine located in the Xinjiang Province of the PRC and 99.9%-owned the exploration rights to another iron ore mine located in the Henan Province of the PRC (collectively, the "Mining Joint Ventures") (the "Impairment of Joint Ventures").

The impairment, derived based on the valuation report issued by an independent Hong Kong-based valuation company, Roma Appraisals Limited, was due principally to the significant decline in the price of iron ore, where the trailing 1-year average and 2-year average prices of iron ore were about RMB1,077 and RMB1,085 per ton respectively as at 31 December 2013 compared to such relevant prices of about RMB1,092 and RMB1,235 per ton respectively as at 31 December 2012. The decreased iron ore prices were due primarily to the continuing decrease in market demand for iron ore amidst the slow-down of the PRC economy in FY2013.

#### **Write-back on impairment of completed properties for sale**

The write-back on impairment of completed properties for sale in FY2013 was attributed mainly to the basement storage rooms in relation to the Xinxiang Sunny Town Project (新乡阳光新城项目) being sold in FY2013 at above the book carrying value.

#### **Write-back on impairment of properties under development for sale**

The write-back on impairment of properties under development for sale in FY2013 was attributed mainly to the re-classification of the Xinxiang Sunny Town Project (新乡阳光新城项目), from "properties under development" to "completed properties for sale", following the completion of the Project which was appraised at a higher valuation (the "Re-classification").

#### **General and administrative expenses**

In line with the reduced sales of developed properties, our general and administrative expenses decreased by RMB5.5 million or 13% from RMB42.1 million in FY2012 to RMB36.6 million in FY2013.

#### **Other income**

Our other income decreased by RMB22.3 million or 81% from RMB27.5 million in FY2012 to RMB5.2 million in FY2013.

Our other income attained in FY2012 were mainly attributed to the write-back of provision on doubtful debts in respect of other receivables of RMB23.0 million which were fully collected in early FY2013.

Our other income attained in FY2013 was mainly attributed to bank interest income.

#### **Other expenses**

Our other expenses decreased by RMB13.8 million or 56% from RMB24.4 million in FY2012 to RMB10.6 million in FY2013, due primarily to the net loss on mark-to-market of and disposal loss of the Group's investment in a quoted security listed on the Shenzhen Stock Exchange (the "Quoted Investment") (as announced by the Company on 13 January 2012 for the procurement of the Quoted Investment and on 28 December 2013 for the disposal of the Quoted Investment).

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

The Group's share of loss of joint ventures increased by RMB149,000 or 52% from RMB287,000 in FY2012 to RMB436,000 in FY2013. 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 owned by it which have yet to commence production.

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

We registered a finance cost of about RMB1.9 million in FY2013 *vis-à-vis* a finance income of about RMB8.7 million in FY2012.

Our finance cost incurred in FY2013 was attributed principally to the margin financing for the Quoted Investment. The finance income attained in FY2012 were mainly attributed to the amortization of unwinding discount of long-term receivables of RMB12.1 million

### **Loss before tax**

Following from the above, the Group recorded a loss before tax of RMB145.8 million in FY2013 compared to that of RMB172.1 million in FY2012.

### **Income tax (expenses)/credit**

We registered an income tax expense of RMB8.9 million in FY2013 *vis-à-vis* an income tax credit of RMB1.4 million in FY2012.

The income tax credit recorded in FY2012 was principally attributed to the write-back of over-accrued taxation of RMB8.0 million in one of our wholly-owned subsidiaries following the tax clearance obtained from the tax authority in FY2012, netted against the income tax expense attributed to the operating income for FY2012.

The income tax expense recorded in FY2013 was principally attributed to the operating profit attained by some of the subsidiaries.

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

Accordingly, the amount attributable to the owners of the Company was a net loss of RMB154.7 million for FY2013 compared to that of RMB199.2 million for FY2012.

### **(b) Review of statements of financial position of the Group as at 31 December 2013 (relative to that as at 31 December 2012)**

#### **Non-current assets**

Our non-current assets decreased by RMB69.4 million or 44% from RMB159.4 million as at 31 December 2012 to RMB90.0 million as at 31 December 2013 due mainly to the Impairment of Joint Ventures.

#### **Current assets**

Our completed properties for sale decreased by RMB38.5 million or 24% due mainly to the delivery of completed units to buyers, notwithstanding the Re-classification.

The decrease in our properties under development for sale by RMB74.4 million was attributed mainly to the Impairment of the Xinxiang Project.

The decreases in prepayments and other receivables by RMB8.9 million or 10% and in the amount due from related parties by RMB1.1 million or 78% were due principally to collections received.

The Financial assets at fair value through profit or loss in connection to Quoted Investment was fully disposed as announced on 28 December 2013.

The increase in cash and bank balances by RMB22.9 million or 12% was due principally to cash generated from operations. Included in the cash and bank balances as at 31 December 2013 was a sum of RMB41.8 million, being excess cash held in some principal-protected short-term investment deposits.

The available for sales financial assets as at 31 December 2013 comprised fixed yield short term investments made over periods of not more than 2 weeks; the said investments were fully redeemed above cost in January 2014.

The amount due from joint venture of RMB3.7 million was attributed principally to advances made in FY2013 to the Mining Joint Ventures.

The amount due from joint venture partner of RMB25.0 million was attributed principally to a temporary advance, which had been fully collected as at the date of this announcement.

The increase in pledged bank deposits by RMB1.7 million or 23% was mainly attributed to the increase in deposits placed with local banks to facilitate the procurement of housing loans by buyers of the Group's properties; these pledged deposits will be released to the Group upon the issuance of the relevant property ownership certificates to the buyers concerned.

Taken as a whole, our current assets decreased by RMB142.4 million or 24% from RMB594.3 million as at 31 December 2012 to RMB451.8 million as at 31 December 2013.

#### **Current liabilities**

Our sales and rental deposits collectively decreased by RMB28.4 million or 33%, 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 RMB11.4 million or 20%, amounts due to joint venture by RMB577,000 or 46% and income tax payables by RMB7.0 million or 14.0% were due principally to repayments made by the Group.

The Share margin financing facility of RMB19.2 million as at 31 December 2012 relates principally to the margin financing for the Quoted Investment, and the same had been fully repaid in FY2013 following the disposal of the Quoted Investment.

Taken as a whole, our current liabilities decreased by RMB58.1 million or 24% from RMB239.3 million as at 31 December 2012 to RMB181.1 million as at 31 December 2013.

Consequence to the above, we registered a net cash generated from operating activities of RMB43.9 million in FY2013 as compared to that of RMB3.1 million in FY2012.

#### **Deferred tax liabilities**

The increase in deferred tax liabilities by RMB926,000 million or 13% was due principally to the write back of tax liabilities after tax clearance obtained from the relevant tax authority.

### **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.**

With regard to the proposed acquisition via a reverse takeover ("RTO") as announced by the Company on 11 July 2013, the appointed professionals (as disclosed by the Company in its results announcement dated 14 November 2013 for the third financial quarter of FY2013) are still carrying out their respective due diligent works for the RTO, given the substantial amount of information that needs to be gathered, verified and analyzed for the four mines, spreading across three continents, involved for the RTO. The Company will keep the shareholders of the Company updated progressively of any material development.

*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 FY2013.

**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

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

**14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results).**

Not Applicable

**15. Segmented revenue and results for operating 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.**

	<u>Continuing operations</u>			<b>Total</b> <b>RMB '000</b>
	<b>Commercial and residential property development</b> <b>RMB '000</b>	<b>Mining</b> <b>RMB'000</b>	<b>Discontinued operations</b> <b>RMB '000</b>	
<b>2013</b>				
Segment Revenue	134,409	-	-	134,409
Segment loss	(29,981)	(71,250)	-	(101,231)
Corporate administrative costs and directors' salaries				(37,214)
Other income				5,203
Other expenses				(10,635)
Finance costs, net				(1,905)
Loss before tax				(145,782)
Income tax expenses				(8,904)
<b>Loss for the year</b>				<b>(154,686)</b>

	<u>Continuing operations</u>			<b>Total</b> <b>RMB '000</b>
	<b>Commercial and residential property development</b> <b>RMB '000</b>	<b>Mining</b> <b>RMB'000</b>	<b>Discontinued operations</b> <b>RMB '000</b>	
<b>2012</b>				
Segment Revenue	90,093	-	5,866	95,959
Segment profit / (loss)	41,645	(151,472)	(25,434)	(135,261)
Corporate administrative costs and directors' salaries				(36,340)
Other income				1,352
Other expenses				(30,244)
Share of results of associates				(5,654)
Finance income, net				8,658
Loss before tax				(197,489)
Income tax expense				(1,679)
<b>Loss for the year</b>				<b>(199,168)</b>

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

No

**17. A breakdown of sales**

	<u>The Group</u>		%
	<b>FY2013</b> <b>RMB'000</b>	<b>FY2012</b> <b>RMB'000</b>	
(i) Sales reported for:			
First half year ended 30 June	<b>84,753</b>	60,241	41
Second half year ended 31 December	<b>49,656</b>	29,852	66
	<b>134,409</b>	90,093	49

	<b>The Group</b>		%
	<b>FY2013</b>	FY2012	
	<b>RMB'000</b>	RMB'000	Change
(ii) Operating loss after tax deducting non-controlling interests reported for:			
First half year ended 30 June	<b>(22,591)</b>	(7,378)	206
Second half year ended 31 December	<b>(132,095)</b>	(191,790)	(31)
	<b>(154,686)</b>	(199,168)	(22)

**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:-**

	<b>FY2013</b>	FY2012
	<b>RMB'000</b>	RMB'000
Ordinary Share:		
Final dividend	<b>Nil</b>	<b>Nil</b>
Special dividend	<b>Nil</b>	<b>Nil</b>

**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.**

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Company confirms that, to the best of its knowledge, belief and information, none of the persons occupying managerial positions in the Company or its principal subsidiary is a relative of a Director, the Chief Executive Officer or substantial shareholder of the Company.

**BY ORDER OF THE BOARD**

**Mr Li Bin**  
**CEO and Executive Director**

1 March 2014