



Incorporated in the Cayman Islands on 14 July 2005  
2005 年 7 月 14 日注册于开曼群岛

**Quarterly Financial Statement for the Third Quarter Ended  
30 September 2018 ("3Q FY 2018")  
2018 年 3 季度财务报表公告**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, and Q3),  
HALF-YEAR AND FULL YEAR RESULTS.**

第一部 - 公告季度 (1, 2 和 3)、半年和全年所需信息

- 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.  
(集团)的利润表连同上一财政年的对比报表

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME  
FOR 3<sup>RD</sup> QUARTER 2018 ("3Q FY 2018") AND 9 MONTHS ENDED 30 SEPTEMBER 2018 ('9M FY  
2018")  
2018 年第 3 季度和 2018 年至 9 个月未审计合并利润表**

	Group 集团					
	3 months ended 截至3个月		+ / (-)	9 months ended 截至9个月		+ / (-)
	3Q FY 2018 RMB'000	3Q FY 2017 RMB'000		3Q FY 2018 RMB'000	3Q FY 2017 RMB'000	
Revenue 销售	10,941	13,799	-21%	24,969	35,229	-29%
Cost of sales 销售成本	(17,522)	(20,759)	16%	(36,030)	(37,669)	4%
Gross losses 毛损	(6,581)	(6,960)	5%	(11,061)	(2,440)	-353%
Other income 其他收入	12,001	1,154	940%	32,341	1,364	2271%
Other operating income 其他运营收入	288	-	NM	465	111	319%
Selling and distribution expenses 营销费用	(866)	(823)	-5%	(4,249)	(1,863)	-128%
Administrative expenses 行政费用	(8,961)	(19,211)	53%	(21,789)	(26,875)	19%
Finance costs 财务费用	(312)	-	NM	(877)	-	NM
Loss before income tax 税前亏损	(4,431)	(25,840)	83%	(5,170)	(29,703)	83%
Income tax 所得税	(11)	(1,089)	99%	(675)	(1,413)	52%
Net Loss after tax 税后亏损	(4,442)	(26,929)	84%	(5,845)	(31,116)	81%
Other comprehensive income/(expenses):						
Currency translation Gain/(losses) 汇兑收入/ (损失)	440	(208)	NM	398	(259)	NM
Total comprehensive Losses attributable to equity shareholders of the Company	(4,002)	(27,137)	85%	(5,447)	(31,375)	83%

NM - Not meaningful 没有意义



Note: Profit before income tax is determined after charging/ (crediting) the following:

备注：税前利润是扣除/(增加)以下项目后所得：

	Group 集团					
	3 months ended 截至3个月		+/-)	9 months ended 截至9个月		+/-)
	3Q FY 2018 RMB'000	3Q FY 2017 RMB'000		3Q FY 2018 RMB'000	3Q FY 2017 RMB'000	
Depreciation expense 折旧费用	3,380	4,475	24%	11,267	13,457	16%
Reversal of provision for trade receivables 回冲应收账款减值准备	(11,924)	-	NM	(22,875)	-	NM
Reversal of provision for inventory 回冲存货减值准备	65	-	NM	(9,287)	-	NM
Amortisation of land use right 土地使用权摊销	63	63	0%	188	188	0%
Interest Income 利息收入	-	(17)	NM	(43)	(54)	-20%
Interest Expense 利息费用	312	-	NM	637	98	-550%
Foreign exchange losses 汇兑亏损	440	918	52%	717	633	-13%
Loss/(gain) on disposal of property, plant and equipment 产业厂房机器设备处置损失/(收益)	(150)	-	NM	(146)	-	NM
<i>NM - Not meaningful 没有意义</i>						



**1(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.**

(本公司及集团)的资产负债表连同上一财政年的对比表报

	Group 集团		Company 公司	
	30 Sep 2018 RMB'000	31 Dec 2017 RMB'000	30 Sep 2018 RMB'000	31 Dec 2017 RMB'000
<b>EQUITY 股权</b>				
<b>Capital and reserves attributable to Equity holders of the Company 资本及储备归属于公司股权持有人</b>				
Share capital 股本	55,409	55,409	55,409	55,409
Share premium 股票溢价	78,470	78,470	78,470	78,470
	133,879	133,879	133,879	133,879
<b>Other Reserves 其他储备</b>				
Statutory reserve 法定储备	30,526	30,526	-	-
Foreign exchange reserve 外汇储备	(3,016)	(3,414)	-	-
	27,510	27,112	-	-
Retained earnings/(deficit) 留存收益/(亏损)	(4,465)	1,380	(1,571)	(453)
<b>TOTAL EQUITY 总股本</b>	<b>156,924</b>	<b>162,371</b>	<b>132,308</b>	<b>133,426</b>
<b>ASSETS 资产</b>				
<b>Non-current assets 非流动资产</b>				
Property, plant and equipment 产业, 厂房和机器设备	93,519	103,506	-	-
Subsidiaries 子公司	-	-	156,236	156,236
Land use right 土地使用权	8,979	9,167	-	-
	102,498	112,673	156,236	156,236
<b>Current assets 流动资产</b>				
Inventories 存货	22,556	1,629	-	-
Trade receivables 应收账款	53,628	52,761	-	-
Other receivables, deposits and prepayments 其他应收, 定金和预付款	3,429	3,438	83	-
Land use right 土地使用权	251	251	-	-
Cash and cash equivalents 现金	16,956	28,612	1,543	2,858
	96,820	86,691	1,626	2,858
<b>TOTAL ASSETS 总资产</b>	<b>199,318</b>	<b>199,364</b>	<b>157,862</b>	<b>159,094</b>
<b>LIABILITIES 负债</b>				
<b>Current liabilities 流动负债</b>				
Trade payables 应付账款	18,559	27,247	-	-
Other payables and accruals 其他应付款和计提	3,820	5,731	770	1,190
Bank loan 银行贷款	16,000	-	-	-
Due to subsidiaries (non-trade) 应付子公司 (非贸易)	-	-	24,784	24,478
Income tax payable 应付所得税	-	602	-	-
	38,379	33,580	25,554	25,668
<b>Non-current liabilities 长期负债</b>				
Deferred tax liability 递延税款	2,012	1,410	-	-
Deferred capital grants 递延资本补助金	2,003	2,003	-	-
	4,015	3,413	-	-
<b>TOTAL LIABILITIES 总负债</b>	<b>42,394</b>	<b>36,993</b>	<b>25,554</b>	<b>25,668</b>
<b>NET ASSETS 净资产</b>	<b>156,924</b>	<b>162,371</b>	<b>132,308</b>	<b>133,426</b>



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

**集团贷款及抵押债务总额**

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

**一年内需还的金额**

Group 集团		Group 集团	
As at 30 Sep 2018		As at 31 December 2017	
Secured RMB'000 担保	Unsecured RMB'000 未担保	Secured RMB'000 担保	Unsecured RMB'000 未担保
16,000	NIL	NIL	NIL

**Amount repayable after 1 year**

**一年外需还的金额**

Group 集团		Group 集团	
As at 30 Sep 2018		As at 31 December 2017	
Secured RMB'000 担保	Unsecured RMB'000 未担保	Secured RMB'000 担保	Unsecured RMB'000 未担保
NIL	NIL	NIL	NIL

**Note:**

The Company had pledged machineries with a valuation of RMB 86,000,000 as collateral, in exchange for an authorized credit limit of RMB 25,000,000 with Jiangnan Rural Commercial Bank. Out of this RMB 25,000,000 authorized credit limit, RMB 16,000,000 was used in 2 trade facilities arrangements. The 1<sup>st</sup> trade facility arrangement was made for RMB 10,000,000 in April 2018 with an annualized interest rate of 6.89% and the 2<sup>nd</sup> trade facility arrangement was made for RMB 6,000,000 in June 2018 with an annualized interest rate of 6.65%. Both loans are of 1-year tenure and are reusable after full payment on due date, subject to approval from bank.



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.  
(集团)的现金流量表连同上一财政年同期的对比表报

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 30 SEPTEMBER 2018  
2018年9月30日未审计的合并现金流量报表

	Group 集团			
	3 months ended 截至3个月		9 months ended 截至9个月	
	30 Sep 2018 RMB'000	30 Sep 2017 RMB'000	30 Sep 2018 RMB'000	30 Sep 2017 RMB'000
<b>OPERATING ACTIVITIES 营运活动</b>				
Loss before income tax 税前亏损	(4,431)	(25,840)	(5,170)	(29,703)
Adjustments for: 调整				
Impairment loss on trade receivables written back 应收账款减值亏损回冲	(11,924)	-	(22,875)	-
Allowance for inventory obsolescence written back 存货陈旧贬值回冲	65	-	(9,287)	-
Depreciation expense 折旧	3,380	4,475	11,267	13,457
Amortisation expense 待摊费用	63	63	188	188
Interest Income 利息收入	-	(17)	(43)	(54)
Interest Expense 利息支出	312	-	637	98
Gain on disposal of property, plant & equipment 处置产业厂房, 机器设备	(150)	-	(146)	-
Exchange losses 汇兑亏损	440	918	717	633
Operating losses before working capital changes 计算流动资金变更前后的运营亏损	(12,245)	(20,401)	(24,712)	(15,381)
Inventories 存货	(1,312)	20,727	(11,640)	9,752
Trade & other Receivables 应收	21,484	(2,940)	22,017	30,217
Trade & other Payables 应付	(6,619)	(10,528)	(10,599)	(30,747)
<b>Cash generated from/(used in) operations 营运所得/ (所使用)净现金</b>	<b>1,308</b>	<b>(13,142)</b>	<b>(24,934)</b>	<b>(6,159)</b>
Interest received 利息收入	-	17	43	54
Income tax 所得税	1,032	(5,300)	-	(6,516)
<b>Net Cash generated from/(used in) operating activities 营运所得/(所使用)净现金</b>	<b>2,340</b>	<b>(18,425)</b>	<b>(24,891)</b>	<b>(12,621)</b>
<b>INVESTING ACTIVITIES 投资活动</b>				
Purchase of property, plant and equipment 购买产业厂房, 机器设备	(142)	5	(832)	(44)
Proceeds from disposal of property, plant and equipment 产业厂房, 机器设备的处置收益	360	-	302	-
<b>Net cash generated from/(used in) investing activities 投资活动所得/ (所使用)净现金</b>	<b>218</b>	<b>5</b>	<b>(530)</b>	<b>(44)</b>
<b>FINANCING ACTIVITIES 融资活动</b>				
Net (Placement)/Withdrawal of Pledged deposits 净(安置)/撤回抵押存款	(1,686)	48	380	1,757
Loan from/(repayment to) banks 银行贷款/(还款)	-	-	16,000	(7,000)
Interest Expense 利息支出	(312)	-	(637)	(98)
<b>Net cash generated from/(used in) financing activities 融资活动所得/(所使用)的现金净额</b>	<b>(1,998)</b>	<b>48</b>	<b>15,743</b>	<b>(5,341)</b>
<b>Net increase/(decrease) in cash and cash equivalents 现金及现金等价物净增加/(减少)</b>	<b>560</b>	<b>(18,372)</b>	<b>(9,678)</b>	<b>(18,006)</b>
Cash and cash equivalents at beginning of the year 期初的现金及现金等价物	16,350	45,742	24,563	45,661
Effects of exchange rate changes in cash and cash equivalents 汇率变动对现金及现金等价物的影响	(3,623)	(348)	(1,598)	(633)
Cash and cash equivalents at end of the year 期末的现金及现金等价物	13,287	27,022	13,287	27,022
Effects of exchange rate changes in cash and cash equivalent 汇率变动对现金及现金等价物的影响				



Cash and bank balances comprise the following: 现金和银行余额包括以下:	Group 集团			
	3 months ended 截至3个月		9 months ended 截至9个月	
	30 Sep 2018 RMB'000	30 Sep 2017 RMB'000	30 Sep 2018 RMB'000	30 Sep 2017 RMB'000
Cash and cash equivalent 现金及现金等价物	13,287	27,022	13,287	27,022
Pledged cash placed with bank 银行保证金	3,669	2,984	3,669	2,984
	16,956	30,006	16,956	30,006



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

显示(公司及集团)(i)股东权益的所有变动的报表或(ii)资本化发行及分配产生的股东权益变更除外的股东权益变更的报表, 连同上一财政年同期的对比报表

Group 集团						
Group 集团	Share Capital	Share Premium	Statutory Reserve	Translation Reserve	Retained Earnings	Total
	股本	股票溢价	法定储备	外汇储备	留存收益	合计
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 Jan 2017 2017年年初	55,409	78,470	30,526	(3,207)	160,884	322,082
Total comprehensive income/ (expenses) for the period 总综合收入/(费用) 本期	-	-	-	(259)	(31,116)	(31,375)
Statutory reserves 法定储备	-	-	-	-	-	-
Dividend 股息	-	-	-	-	(3,433)	(3,433)
Balance as at 30 Sep 2017 2017年9月末	55,409	78,470	30,526	(3,466)	126,335	287,274
Group 集团						
Group 集团	Share Capital	Share Premium	Statutory Reserve	Translation Reserve	Retained Earnings	Total
	股本	股票溢价	法定储备	外汇储备	留存收益	合计
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 Jan 2018 2018年年初	55,409	78,470	30,526	(3,414)	1,380	162,371
Total comprehensive income/ (expenses) for the period 总综合收入/(费用) 本期	-	-	-	398	(5,845)	(5,447)
Statutory reserves 法定储备	-	-	-	-	-	-
Dividend 股息	-	-	-	-	-	-
Balance as at 30 Sep 2018 2018年9月末	55,409	78,470	30,526	(3,016)	(4,465)	156,924
Company 公司						
Company 公司	Share Capital	Share Premium	Statutory Reserve	Translation Reserve	Retained Earnings	Total
	股本	股票溢价	法定储备	外汇储备	留存收益	合计
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 Jan 2017 2017年年初	55,409	78,470	-	-	-	133,879
Total comprehensive income/ (expenses) for the period 总综合收入/(费用) 本期	-	-	-	-	4,232	4,232
Statutory reserves 法定储备	-	-	-	-	-	-
Dividend 股息	-	-	-	-	(3,433)	(3,433)
Balance as at 30 Sep 2017 2017年9月末	55,409	78,470	-	-	799	134,678
Company 公司						
Company 公司	Share Capital	Share Premium	Statutory Reserve	Translation Reserve	Retained Earnings	Total
	股本	股票溢价	法定储备	外汇储备	留存收益	合计
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1 Jan 2018 2018年年初	55,409	78,470	-	-	(453)	133,426
Total comprehensive income/ (expenses) for the period 总综合收入/(费用) 本期	-	-	-	-	(1,118)	(1,118)
Statutory reserves 法定储备	-	-	-	-	-	-
Dividend 股息	-	-	-	-	-	-
Balance as at 30 Sep 2018 2018年9月末	55,409	78,470	-	-	(1,571)	132,308



**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 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.**

自上一财政期，本公司因附加股,红股，股份购回，行使认股选择权或认股权,其他权益发行兑换，发行股票以取得现金或收购对价或为任何其他目的而发行股票而发生的任何变更的详情。注明截止至本财政年期末及截止上一财政年同期可能因所有有效可换股证券行使时会发行的股票数目，及库存股票股数（如有）占上市公司已发行股票的总数（扣除库存股票）。注明截止至本财政年期末及截止上一财政年同期可能因所有有效可换股证券行使时会发行的股票数目，及库存股票股数（如有）占上市公司已发行股票的总数（扣除库存股票）。注明截止至本财政年期末及截止上一财政年同期持有的库存股票和子公司持股数量（如有），以及持有的库存股份和子公司持有量占上市类别总数的百分比。

	Number of shares 股份	Issued share capital USD 发行股本(美元)	Issued share capital RMB 发行股本(人民币)
Issued and paid Share Capital as at 31 Dec 2017 and 30 Sep 2018	27,468,473	6,867,119	55,409,257
发布和支付股本于2017年12月31日及2018年9月30日			

**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.**

显示上一财政年和本财政年的已发股份，不含库存股票

	Number of shares 股份	
	30 Sep 2018	31 Dec 2017
Issued and paid Share Capital 发布和支付股本	27,468,473	27,468,473

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

显示上一财年和本财年的股票出售、转让、处置、作废或使用库存股票的报告申明

Not applicable.

不适用





**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.**

显示上一财政年和本财政年的股票出售、转让、作废或使用子公司持股的报告申明

Not applicable.

不适用

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

有关数据是否已根据审计准则或惯例被审计或审阅

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

数据未被审计师审计或复查

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

如数据已被审计或审阅，需附上审计报告（包括对任何特殊事项的澄清或强调）

Not applicable.

不适用

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

公司是否应用上一期经审计的财务报表里相同的会计政策和计算方法

There are certain new International Financial Reporting Standards ("IFRSs") that are published and mandatory for accounting periods beginning on or after 1 January 2018. Where applicable, the adoption of these IFRSs does not have any material impact on the financial statements for the 12 months ending 31 December 2018. Apart from this, the same accounting policies and methods of computation have been consistently applied.

有一些新的国际财务报告准则（“国际财务报告准则”），将强制性的从2018年1月1日起使用。这些准则的采用不会对截至2018年12月31日的财务报表造成任何重大影响。除了这一点，同样的会计政策和计算方法一直被应用。

**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.**

如会计政策和计算方法有任何改变，包括会计准则所规定的任何变更，需列出有关的变更，变更原因和变更的影响

Not applicable.

不适用



**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.**

扣除优先股股息准备后，集团在本财政年期间及上一财政年期间每股普通股的盈利

Earnings per ordinary share for the period based on total comprehensive income/(losses) attributable to shareholders 股东每普通股的净利润	Group 集团			
	3 months ended 截至3个月		9 months ended 截至9个月	
	30 Sep 2018	30 Sep 2017	30 Sep 2018	30 Sep 2017
Basic losses per share (RMB cents) 基每股亏损 (RMB cents)	(14.57)	(98.79)	(19.83)	(114.22)
On a fully diluted basis (RMB cents) 在完全稀释的基础上 (RMB cents)	(14.57)	(98.79)	(19.83)	(114.22)
Weighted average number of ordinary shares in issue for basic earnings per share 股票的加权平均数	27,468,473	27,468,473	27,468,473	27,468,473

Earnings per share is derived using total comprehensive income/(losses) divided by weighted average number of ordinary shares in issue at end of the year.

股东每普通股的净利润是用年末的综合全年收益/(亏损)除以股票的加权平均数。

There were no potentially dilutive ordinary shares in existence during the current period reported on and the corresponding period of the immediately preceding financial year. Accordingly, there is no difference between basic and diluted earnings per share.

没有潜在摊薄普通股在本财政年期间或上一财年期间。因此，基本和基于摊薄基准后的每股收益没有差异。

**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:-**

基于期末已发行股本(扣除库存股票)计算的公司每股普通股资产净值:-

(a) current financial period reported on; and

于本财政年期末

(b) immediately preceding financial year.

上一财政年期末

	Group 集团		Company 公司	
	30 Sep 2018	31 Dec 2017	30 Sep 2018	31 Dec 2017
Net asset value per ordinary share based on the issued capital at the end of the financial year (RMB) 财年末的每普通股净资产价值 (人民币)	5.71	5.91	4.82	4.86
Number of shares in calculating net asset value 计算净资产价值的股份数	27,468,473	27,468,473	27,468,473	27,468,473



**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:-**

回顾集团表现能对集团业务得到合理了解。此必须包括以下分析:-

**(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;**

任何在本财政年影响集团的营业额、成本和盈利的重要因素，包括（如适用）季节性或周期性因素；

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review of the Group's Performance**

影响本集团在本财政年报告期间的现金流量、营运资金、资产或负债的任何重大因素。

**Statement of Comprehensive Income for 3Q FY 2018**

**2018年3季度利润表**

**Revenue 销售**

Revenue for 3Q FY 2018 decreased by 21% from RMB 13,799,000 in 3Q FY 2017 to RMB 10,941,000 as the Company suffered from depletion of order book, while unable to tender for new contracts with a major customer due to customer's twin concerns of the on-going legal suits & quality control issues arising in 2Q FY 2018. As at date of the announcement, the said quality control issues, the Group is in the process of applying for re-qualifications.

**Cost of Sales 销售成本**

Cost of sales for 3Q FY 2018 decreased by 16% from RMB 20,759,000 in 3Q FY 2017 to RMB 17,522,000 primarily due to lower revenue reported in the quarter. However, gross loss margin continued to worsen from -50% in 3Q FY 2017 to -60% in 3Q FY 2018.

**Gross loss 毛亏**

As a result, the Company continued to be in a gross loss position of RMB 6,581,000 for 3Q FY2018 as compared to a gross loss of RMB 6,960,000 for 3Q FY 2017. The gross loss is a combination of factors such as extremely competitive prices caused by open bidding system from our major customer which awards contracts solely on lowest pricing. The cost structure of the Group had also been consistently rigid due to market conditions.

**Other Income 其他收入**

Other income for 3Q FY 2018 was RMB 12,001,000 in contrast to RMB 1,154,000 in 3Q FY 2017 primarily due to the reversal of provisions of RMB 11,924,000 pertaining to trade



receivables. The provisions done in FY 2017 and were written back as the Company received payments on these trade receivables accounts in 3Q FY 2018.

**Administrative expenses 行政费用**

Administrative expenses for 3Q FY 2018 decreased by 53% from RMB 19,211,000 in 3Q FY 2017 to RMB 8,961,000 due to lower expenses incurred in contrast to 3Q FY 2017 where higher expenses were incurred for local and overseas customer visits as well as to explore new opportunities when the management regained control of the plant in 3Q FY 2017.

**Finance costs 财务费用**

The Company incurred finance costs of RMB 312,000 in 3Q FY 2018 for interest expenses on its trade facilities arrangements as well as finance costs incurred on discounting bill receivables for cash to meet working capital needs.

**Statement of Financial Position as at 30 September 2018**

**截止 2018 年 9 月 30 日的资产负债表**

***Property, plant and equipment 产业厂房和机器设备***

Property, plant and equipment (PPE) stood at RMB 93,519,000, a decrease from RMB 103,506,000 in FY 2017, mainly due to depreciation.

***Inventories 存货***

Inventories stood at RMB 22,556,000, an increase from RMB 1,629,000 in FY 2017 due to a buildup in new Work-In-Progress and Finished goods as the Company's operations resumed.

***Trade receivables 应收账款***

Trade receivables amounted to RMB 53,628,000, an increase from RMB 52,761,000 in FY 2017 as the Company continued to collect on overdue trade receivable accounts. The proportion of bills receivables in the trade receivables decreased to RMB 8,100,000 from RMB 10,746,000 in 2017 due to discounting bill receivables for cash for working capital in 3Q FY 2018. Of the RMB 8,101,000 bills receivables at the end of 3Q FY 2018, RMB 3,530,000 are secured by financial institutions and banks.

Details of trade receivables aging as at 30 September 2018 are tabled as follows:



RMB'000	Balance	Not Due	1-90 days	91-180 days	181-360 days	>1 year
Account Receivables 应收账款	101,472	24,416	7,483	4,780	11,537	53,256
Provision for Doubtful Debts 坏账准备	(55,945)	-	-	-	(2,689)	(53,256)
Net Account Receivables 净应收账款	45,527	24,416	7,483	4,780	8,848	-
Bills Receivable 应收票据	8,101	8,101	-	-	-	-
Total Trade Receivables @ Sep '18	53,628	32,517	7,483	4,780	8,848	-
截止2018年9月总应收账款与票据(含票据)	100%	61%	14%	9%	16%	-

**Trade payables 应付账款**

Trade payables decreased to RMB 18,559,000 in 3Q FY 2018 from RMB 27,247,000 in FY 2017 due to payments to suppliers.

**Bank loans 银行贷款**

The Group obtained 2 loans from Jiangnan Rural Commercial Bank totaling RMB 16,000,000 for trade facilities purposes. For this purpose, the Company had pledged machineries with a valuation of RMB 86,000,000 as collateral, in exchange for an authorized credit limit of RMB 25,000,000.

**Statement of Cash Flows for the period ended 30 September 2018**

**截止2018年9月30日的现金流量表**

Net cash used in operating activities amounting to RMB 18,425,000 in 3Q FY 2017 to turned into net cash generated amounting to RMB 2,340,000 in 3Q FY 2018 mainly due to a much lower loss before income tax of RMB 4,431,000 in 3Q FY 2018 as compared to a loss of RMB 25,840,000 at 3Q FY 2017 and an improvement in working capital, due to recovery of long outstanding receivables with Trade & other receivables being reduced by RMB 21,484,000 in 3Q FY 2018 compared to an increase of RMB 2,940,000 in 3Q FY 2017.

Net cash generated from investing activities for 3Q FY 2018 was RMB 218,000 compared to RMB 5,000 in 3Q FY 2017. This was mainly due to disposal of certain Company vehicles in 3Q FY 2018 as part of the process of streamlining the Company's organization structure.

Net cash generated from financing activities reversed from RMB 48,000 in 3Q FY 2017 to net cash used of RMB 1,998,000 in 3Q FY 2018 due to RMB 1,686,000 pledged deposits being withdrawn and interest expense of RMB 312,000 incurred in 3Q FY 2018.

Because of the above, there was a net increase in cash and cash equivalents of approximately RMB 560,000 in 3Q FY 2018, compared to a net decrease of RMB 18,372,000 in 3Q FY 2017.



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

如以前曾向股东披露预测或前景申明，列出它与实际业绩的差别

Not applicable.

不适用

**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.**

截止公告日，集团所处行业的显著趋势和竞争情况以及可能影响集团在下个报告和未来 12 个月的任何已知因素或事项的有关评论

The Group had made efforts to re-establish the working relationships with its key customers, since regaining control of the factory late last year. However, the effects of the ongoing litigation between the Company and the ex-Chief Executive Officer, Mr. Liu Ming and the two new shareholders, Mr Lin Chuanjun and Ms Zhang Ping have adversely impacted the ongoing business of the Group. The uncertainty of the outcome of the litigation has been raised as a concern by key customers and the management of Changzhou 3D Technological Complete Set Equipment Co., Limited (“CZ3D”), as represented by Mr. Zhang Rong, the Chief Executive Officer, who had reached out to its key customers to assure them that the business of CZ3D is subsisting and continues to be an on-going concern.

In addition, the Group will continue its restructuring efforts which includes possible vertical integration, and the diversification of its customers and products base, which has had with some success in 2018.

Despite these efforts, the Group faces challenges ahead as it expects to have weak revenue for the rest of the year. A near term objective that the Group is focusing its efforts on is the application for re-qualification as a supplier with a major customer and the results of the application is expected by the end of November 2018.

The Group has also considered various options to increase its cash holdings, which precludes the discounting of commercial bills receivables to realise cash, increased efforts on collections, legal avenues against delinquent debtors and reviewing the operating assets.

With regards to the requisition letter received from Mr Lin Chuan Jun & Ms Zhang Ping on 11 September 2018, the requisitioning shareholders had agreed for the Extraordinary General Meeting to be held on the 12 February 2019 and the board is in the process of obtaining advice on the same.

**11. Dividend**

股息

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

当期

None 无



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

上财政年同期

None 无

**(c) Date payable**

付款日期

Not applicable 不适用

**(d) Books closure date**

股息权截止日

Not applicable 不适用

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

如果没有宣布/推荐股息，请刻此声明。

No dividend has been declared or recommended.

没有宣布或建议派发股息。

**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.**

如果集团已获得股东的授权，而授权交易的金额是按照规则920(1)(a)(ii).如有此授权，请作此声明

No IPT mandate has been obtained.

没有获得此授权

**14. Confirmation of Interim Financial Statements for the period ended 30 September 2018 ("3Q FY 2018")**

确认2018年3季度财政年报表

Pursuant to SGX-ST Listing Rule 705(5), the directors of Shanghai Turbo Enterprises Limited do hereby confirm that to the best of their knowledge, nothing had come to the attention of the board of directors for which may render the 3Q FY 2018 financial results to be materially false or misleading. This confirmation has been made without an audit of these financial statements.

根据新加坡交易所上市规则第 705 (5)，上海动力发展有限公司董事特此确认，据他们所知，没有发现 2018 年 3 季度的财务报告含有重大的虚假或误导性。这些财务报表还没有经过审计。



**“In the event of any conflict between the English and Chinese versions of this announcement, the English version shall prevail.”**

**“若中英文版本出现不一致时，以英文版本为准。”**

**BY ORDER OF THE BOARD**

**董事局命令**

Wee Liang Hiam            黄良添  
Non-Executive & Lead Independent Director  
非执行独立董事

14 November 2018  
2018 年 11 月 14 日