

Financial Statements and Related Announcement::Full Yearly Results


Issuer & Securities

Issuer/ Manager	CHINA HAIDA LTD.
Securities	CHINA HAIDA LTD. - SG1Q42922142 - C92
Stapled Security	No

Announcement Details

Announcement Title	Financial Statements and Related Announcement
Date & Time of Broadcast	28-Feb-2017 19:08:07
Status	New
Announcement Sub Title	Full Yearly Results
Announcement Reference	SG170228OTHRGT4T
Submitted By (Co./ Ind. Name)	Kenneth Leong
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	Please refer to the attached.

Additional Details

For Financial Period Ended	31/12/2016
Attachments	 China Haida - Full Year Results FY2016.pdf Total size =378K

The Board of Directors of China Haida Ltd. is pleased to announce the consolidated results of the Group for the year ended 31 December 2016.

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2, & Q3) HALF-YEAR AND FULL YEARS RESULTS

- 1(a) A statement of profit or loss and other comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

合并利润报表

(Amounts expressed in thousands of Chinese Renminbi ("RMB") currency)

Revenue	销售收入
Cost of sales	销售成本
Gross profit	毛利
Gross profit margin	毛利率
Other operating income	其他收入
Selling and distribution expenses	营业费用
Administrative expenses	管理费用
Profit from operations	营运利润
Finance costs	财务费用
Profit before taxation	税前利润
Taxation	所得税
Profit after taxation	净利润
Other comprehensive income :	其他收入:
Currency translation differences	汇兑损益
Total comprehensive income attributable to equity holders of the company	股东应得总盈利

THE GROUP		
1 Jan 2016 to 31 Dec 2016 FY2016	1 Jan 2015 to 31 Dec 2015 FY2015	Variance Increase/ (Decrease)
RMB '000	RMB '000	%
Unaudited	Audited	
286,556	310,336	(7.7)%
(256,241)	(285,834)	(10.4)%
30,315	24,502	23.7 %
10.6%	7.9%	2.7 %
4,926	9,523	(48.3)%
(5,670)	(7,175)	(21.0)%
(20,821)	(19,387)	7.4 %
8,750	7,463	17.2 %
(1,059)	(1,337)	(20.8)%
7,691	6,126	25.5 %
(2,663)	(2,724)	(2.2)%
5,028	3,402	47.8 %
205	6	3,316.7 %
5,233	3,408	53.6 %

Explanatory Notes

A Profit before taxation

The following items have been included in arriving at profit before taxation:

		THE GROUP	
		FY 2016	FY 2015
		RMB '000	RMB '000
		Unaudited	Audited
	Note		
Other Operating income:	其他收入：		
- Interest income on bank deposits	(1) 利息收入	137	151
- Sales of scraps and raw materials	(2) 废料及材料销售收入	1,462	1,532
- Government grant / incentive	(3) 政府津贴	212	49
- Write back of doubtful debts	(4) 坏账充回	1,475	4,585
- Foreign exchange gain - net	(5) 外汇盈利	1,640	3,206
		4,926	9,523
- Interest expenses	(6) 利息费用	(1,059)	(1,337)
- Amortisation of lease prepayments	分摊预付土地使用费	(302)	(302)
- Depreciation of property, plant and equipment (PPE)	(7) 固定资产折旧费	(7,423)	(8,650)
- Write-off/loss on disposal of PPE, net	(8) 固定资产处理净损失	(986)	-

Note

- (1) In FY2016, the interest income on bank deposits was slightly lower than the previous year due to the lower weighted average interest rate of 0.030% per annum as compared to 0.035% per annum in the last financial year.
- (2) Income from sales of scrap and raw materials was lower due mainly to lower sales and better control of wastage during the production process.
- (3) This comprised of the following:
- | | 31 Dec 2016 | 31 Dec 2015 |
|---|--------------------|--------------------|
| | RMB | RMB |
| - Global expansion incentive grant to our wholly-owned subsidiary, Jiangyin Litai Decorative Materials Co.,Ltd.('Litai') by : | | |
| PRC government | 43,000 | 44,000 |
| Jiangsu Province | 159,000 | - |
| - an employment credit incentive given by the Singapore government | 10,000 | 5,000 |
- (4) For FY2016, there was a write back of doubtful debts of approximately RMB1.5 million as compared to the net write back of approximately RMB4.6 million in FY2015, which consisted of an allowance for doubtful debts of RMB0.4 million and a write back of doubtful debts RMB5.0 million.

An analysis of the allowance for impairment of trade receivables was as follows: (*see also note 1(b)(i)(3) on page 5)

	FY2016		FY2015
	RMB'000		RMB'000
Balance at beginning of the year	12,344		16,929
Allowance during the financial year	-	426	
Write back during the year	<u>(1,475)</u>	<u>(5,011)</u>	<u>(4,585)</u>
Balance at end of the year *	<u>10,869</u>		<u>12,344</u>

- (5) The strong USD against the RMB throughout FY2016 had resulted in a foreign exchange gain of approximately RMB1.6 million. A lower exchange gain for FY2016 was recorded due mainly to the lower export sales of aluminium panels.
- (6) Interest expenses were lower for FY2016 although there was an increase of short-term bank loan of RMB7.0 million during the year under review. This was attributed to the lower weighted average interest rate of 4.82% per annum as compared to 5.88% per annum in FY2015.
- (7) There was an addition to PPE of approximately RMB1.8 million for Litai which comprised of the purchase of office equipment RMB0.3million, bending and cutting machine RMB1.1 million and motor vehicles RMB0.4 million respectively. However, lower depreciation was recorded for FY2016, attributed mainly to certain assets which had been fully depreciated during the year under review.

(8) This comprised of the following:	FY2016		FY2015
	RMB'000		RMB'000
Write-off of ACP production line and related equipment	852		-
Loss on disposal of motor vehicle and office equipment	173		-
Gain on disposal of production equipment	<u>(39)</u>		-
	<u>986</u>		-

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.

STATEMENTS OF FINANCIAL POSITION <i>(Amounts expressed in thousands of Chinese Renminbi ("RMB") currency).</i>		THE GROUP		THE COMPANY	
		As at 31-Dec-16 RMB'000	As at 31-Dec-15 RMB'000	As at 31-Dec-16 RMB'000	As at 31-Dec-15 RMB'000
Non-Current Assets		Unaudited	Audited	Unaudited	Audited
Property, plant and equipment	(1)	51,218	57,937	139	220
Investment in a subsidiary		-	-	113,631	108,594
Lease prepayments		10,815	11,117	-	-
Current Assets					
Lease prepayments		302	302	-	-
Inventories	(2)	53,055	50,778	-	-
Trade and bills receivables	(3)	122,827	118,628	-	-
Other receivables, deposits and prepayments		3,319	3,208	125	119
Advance payments to a related party (trade)	(4)	11,950	28,086	-	-
Due from a related party (trade)	(5)	11,126	18,215	-	-
Cash and cash equivalents	(6)	73,523	36,598	7,729	7,364
Total Current Assets		276,102	255,815	7,854	7,483
TOTAL ASSETS		338,135	324,869	121,624	116,297
Current Liabilities					
Trade payables		24,431	23,440	-	-
Other payables and accruals		10,617	11,280	903	868
Due to a subsidiary (non-trade)		-	-	2,282	2,300
Short-term bank loans	(7)	22,000	15,000	-	-
Income tax payable		774	179	-	-
		57,822	49,899	3,185	3,168
Non-current liability					
Deferred Taxation	(8)	1,182	1,072	-	-
TOTAL LIABILITIES		59,004	50,971	3,185	3,168
NET ASSETS		279,131	273,898	118,439	113,129
SHAREHOLDERS' EQUITY					
Share capital		140,543	140,543	140,543	140,543
Statutory reserve fund		23,367	22,634	-	-
Capital reserve		47,946	47,946	-	-
Currency translation reserve		(843)	(1,048)	(4,766)	(10,008)
Retained earnings / (accumulated losses)		68,118	63,823	(17,338)	(17,406)
TOTAL EQUITY		279,131	273,898	118,439	113,129

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.

- (1) During the year under review, there was an addition to PPE for Litai of approximately RMB1.8 million which comprised of the purchase of office equipment RMB0.3million, bending and cutting machine RMB1.1 million and motor vehicles RMB0.4 million respectively. However, lower fixed assets were recorded in FY2016, attributed to certain assets which had been fully depreciated, and assets written off and / or disposed off which amounted to approximately RMB0.99 million.
- (2) Higher inventory was registered as at 31 December 2016 mainly because of the anticipated demand of future orders from customers.

- (3) Despite the lower revenue, the trade receivable balances as at 31 December 2016 were higher due mainly to the higher sales in the second half of the year. With the slower collections, debtors' turnover had increased to an average 188 days in FY2016 as compared to an average of 157 days in FY2015.

An analysis of trade receivables balances were as follows:

	FY2016 RMB'000	FY2015 RMB'000
Trade receivables	130,646	123,672
Allowance for impairment of trade receivable *	<u>(10,869)</u>	<u>(12,344)</u>
	119,777	111,328
Bills receivables	<u>3,050</u>	<u>7,300</u>
Trade receivables at end of the year	<u>122,827</u>	<u>118,628</u>

*See Explanatory Notes A part (4) - Profit before taxation on page 3.

- (4) As at 31 December 2016, there was an advance payment to a related party, Jiangyin Haida Caitu Co., Ltd. (previously known as Jiangyin Haida Group., Ltd.) of approximately RMB12.0 million for the purchase of raw materials (31 December 2015 : RMB28.1 million).
- (5) As at 31 December 2016, there was an outstanding amount RMB11.1 million due from a related party, Jiangyin East-China Aluminium Technology Co., Ltd., attributed to the sales of spray-painting services provided by Litai. (31 December 2015: RMB18.2 million).
- (6) Increase in cash and bank balances of approximately RMB36.9 million was due mainly to cash generated from operating activities RMB31.6 million and an increase of short-term bank loan RMB7.0 million, offset by the net purchase of PPE of approximately RMB1.7 million.
- (7) As at 31 December 2016, the short-term bank loan was RMB22.0 million, an increase of RMB7.0 million new loans during the year under review. (FY2015: RMB 15.0 million)
- (8) This was related to deferred tax liabilities recognised on the undistributed earnings of the subsidiary.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

	THE GROUP			
	As at 31 Dec 2016		As at 31 Dec 2015	
	Secured	Unsecured	Secured	Unsecured
	RMB '000	RMB '000	RMB '000	RMB '000
Amount repayable in one year or less, or on demand	7,000	15,000	-	15,000

Details of any collateral

As at 31 December 2016, bank loans totaling RMB7.0 million were secured by personal guarantee of the Chief Executive Officer, leasehold building and land use rights with net book values of approximately RMB4.0 million and RMB1.2 million respectively (net carrying values as at 31 December 2015 were RMB4.6 million and RMB1.24 million respectively). Interest on these bank loans was charged at the average weighted interest rate of 4.82% per annum. (FY2015: 5.88% per annum).

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

CONSOLIDATED CASH FLOW STATEMENT
合并现金流量报表
(Amounts expressed in thousands of Chinese Renminbi ("RMB") Currency)
Cash flows from operating activities

Profit before taxation

Adjustments for:

Allowance for doubtful trade debts

Write back of allowance for doubtful trade debts

Amortisation of lease prepayment

Depreciation of property, plant and equipment, PPE

PPE written off/loss on disposal, net

Interest expense

Interest income

Unrealised translation loss

Operating profit before working capital changes

Inventories

Trade and bills receivables

Other receivables, deposits and prepayments

Trade and other payables

Due from a related party (trade)

Advance payments to a related party (trade)

Cash generated from / (used in) operations

Interest paid

Interest received

Income tax paid

Net cash generated from / (used in) operating activities

Cash flows from investing activities

Purchase of property, plant and equipment

Proceed from disposal of property, plant and equipment

Net cash used in investing activities

Cash flows from financing activities

Proceeds from short-term bank loans

Repayment of short-term bank loans

Net cash from / (used in) financing activities

Net increase / (decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of year

Cash and cash equivalents at end of year

THE GROUP	
2016	2015
RMB'000	RMB'000
Unaudited	Audited
7,691	6,126
-	426
(1,475)	(5,011)
302	302
7,423	8,650
986	-
1,059	1,337
(137)	(151)
205	6
16,054	11,685
(2,277)	(4,703)
(2,724)	(9,012)
(111)	1,764
328	(2,704)
7,089	(7,071)
16,136	4,509
34,495	(5,532)
(1,059)	(1,337)
137	151
(1,964)	(1,624)
31,609	(8,342)
(1,806)	(715)
122	-
(1,684)	(715)
22,000	22,000
(15,000)	(29,000)
7,000	(7,000)
36,925	(16,057)
36,598	52,655
73,523	36,598

STATEMENTS OF CHANGES IN EQUITY
(Amount expressed in thousands of Chinese Renminbi ("RMB") currency).

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.

Group	Attributable to equity holders of the Company					
	Share Capital RMB'000	Statutory Reserve Fund RMB'000	Capital Reserve RMB'000	Currency		Total Equity RMB'000
				Translation	Retained	
				Reserve	Earnings	
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Balance as at 1.1.2015	140,543	22,107	47,946	(1,054)	60,948	270,490
Total comprehensive income for the year	-	-	-	6	3,402	3,408
Transfer of statutory reserve fund	-	527	-	-	(527)	-
Balance as at 31.12.2015	140,543	22,634	47,946	(1,048)	63,823	273,898
Balance as at 1.1.2016	140,543	22,634	47,946	(1,048)	63,823	273,898
Total comprehensive income for the year	-	-	-	205	5,028	5,233
Transfer of statutory reserve fund	-	733	-	-	(733)	-
Balance as at 31.12.2016	140,543	23,367	47,946	(843)	68,118	279,131

Company	Currency			
	Share Capital RMB'000	Translation Reserve RMB'000	Accumulated Losses RMB'000	Total Equity RMB'000
RMB'000	RMB'000	RMB'000	RMB'000	
Balance as at 1.1.2015	140,543	(8,589)	(19,782)	112,172
Total comprehensive loss for the year	-	(1,419)	2,376	957
Balance as at 31.12.2015	140,543	(10,008)	(17,406)	113,129
Balance as at 1.1.2016	140,543	(10,008)	(17,406)	113,129
Total comprehensive income for the year	-	5,242	68	5,310
Balance as at 31.12.2016	140,543	(4,766)	(17,338)	118,439

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the issued and paid-up share capital of the Company since the previous financial year ended at 31 December 2015. The total number of issued shares excluding treasury shares of the Company was RMB140,543,000 comprising 254,880,660 ordinary shares as at 31 December 2016 and 31 December 2015.

The Company has no outstanding convertibles as well as treasury shares as at 31 December 2016 and 31 December 2015.

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

	THE GROUP	
	As at 31 Dec 2016	As at 31 Dec 2015
Total number of issued shares	254,880,660	254,880,660
Less: Treasury shares	-	-
Total number of shares excluding treasury shares	254,880,660	254,880,660

- 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.**

Not applicable.

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

The figures have not been audited nor reviewed by the auditors.

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as in the last audited financial statements for the year ended 31 December 2015 except as described in Section 5 below.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all the applicable new and revised Singapore Financial Reporting Standards ("FRS") including related interpretations ("INT FRS") which became effective for the financial statements of the Group and of the Company for the financial year ended 31 December 2016. The adoption of the new and revised FRS and INT FRS did not give rise to any adjustments to the opening balance of the accumulated profits of the Group and of the accumulated losses of the Company for the prior periods or changes in comparatives. The adoption of the new and revised FRS and INT FRS did not give rise to any significant changes to the financial statements.

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.**

		THE GROUP	
		1 Jan 2016 to 31 Dec 2016	1 Jan 2015 to 31 Dec 2015
		Unaudited	Audited
Profit after taxation (RMB '000)	税后净利润	5,028	3,402
Weighted average number of ordinary shares in issue applicable to earnings	普通股总计	254,880,660	254,880,660
Earnings per ordinary share (RMB cents)	每股收益		
- Basic	-基本收益	2.0	1.3
- Diluted	-稀释收益	-	-

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**

(a) **current financial period reported on; and**

(b) **immediately preceding financial year.**

	THE GROUP		THE COMPANY	
	As at 31 Dec 2016	As at 31 Dec 2015	As at 31 Dec 2016	As at 31 Dec 2015
Net Assets (RMB'000) / 净资产	279,131	273,898	118,439	113,129
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares as at the end of the respective years (RMB cents) 净资产值:	109.5	107.5	46.5	44.4

Net asset value per ordinary share was calculated based on 254,880,660 issued ordinary shares excluding treasury shares as at 31 December 2016 and 31 December 2015 respectively.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:
- (a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF PERFORMANCE

A A Consolidated Comprehensive Income Statement (FY2016 versus FY2015)

(i) Revenue

Compared to FY2015, the Group's total revenue decreased 7.7% or approximately RMB23.8million, from RMB310.4 million to RMB286.6 million, due mainly to lower export sales. Export sales RMB107.0 million or 37.3% of total revenue had decreased by approximately RMB37.4 million or 25.9% as compared to FY2015 export sales of approximately RMB144.4 million or 46.5% of total revenue. The decline in export sales of mainly Aluminium Composite Panels ('ACP') was due to the lower demand in the global markets as a result of the continued economic slowdown, uncertainty and keen competition.

Domestic sales RMB179.6 million or 62.7% of total revenue had increased by approximately RMB13.7 million or 8.3% as compared to FY2015 domestic sales RMB165.9 million or 53.5% of total revenue. The increase was due primarily to higher demand of Aluminium Single Panels ('ASP') for the private projects in the building and construction industry within the PRC. The auxiliary sales of spray-painting services had also increased.

(ii) Gross Profit

Despite the lower revenue, gross profit increased 23.7% or approximately RMB5.8 million, from RMB24.5 million to RMB30.3 million in FY2016. This was due to better gross profit margin which had increased to 10.6% as compared to 7.9% in FY2015. The cost of sales had decreased, in particular, due to lower raw materials cost and overheads such as costs of utilities, depreciation expenses, repairs and consumables.

(iii) Operating Expenses

Total operating expenses RMB26.5 million was comparable to FY2015.

With lower revenue, selling and distribution expenses decreased 21.0% or approximately RMB1.5 million, from RMB7.2 million to RMB5.7 million. The lower expenses were attributed mainly to lower labour cost (RMB0.4 million), transport costs (RMB0.9 million), insurance expenses (RMB0.1 million) and testing costs (RMB0.1 million) respectively.

Administrative expenses, however, had increased 7.4% or approximately RMB1.4 million, from RMB19.4 million to RMB20.8 million. This was attributed mainly to an increase in payroll and social insurance RMB0.6 million, repairs and maintenance RMB0.5 million and other general expenses RMB0.3 million.

(iv) Other operating income

Please see explanatory note A parts (1) to (5) on page 2 and page 3.

(v) Finance Cost

Interest expenses were lower for FY2016 although there was an increase of short-term bank loan RMB7.0 million during the year under review. This was attributed to the lower weighted average interest expense of 4.82% per annum as compared to the weighted average interest rate of 5.88% in FY2015.

(vi) Income Tax

The income tax rate applicable to Litai was 25%. The effective tax rate of approximately 34.6% was charged for FY2016 due to certain expenses which were not tax deductible and were added back for tax purposes. (FY2015: 44.5%)

(vii) Net Profit after taxation

Despite the lower revenue, the Group registered a net profit after taxation of approximately RMB5.0 million, an increase of 47.8% or RMB1.6 million as compared to FY2015. The increase was attributed mainly to higher gross profit and also a write-back of doubtful debts approximately RMB1.5 million.

B Consolidated Balance Sheet (31 December 2016 versus 31 December 2015)

Total current assets increased 7.9% or approximately RMB20.3 million, from RMB255.8 million as at 31 December 2015 to RMB276.1 million as at 31 December 2016. This was primarily due to the following factors:

- i) Increase in trade and bills receivables RMB4.2 million due mainly to higher sales in second half of the year.
- ii) Increase in other receivables, deposits and prepayments RMB0.1 million
- iii) Increase in inventories RMB2.3 million due to anticipated future orders.
- iv) Increase in cash and bank balances of approximately RMB36.9 million was due mainly to cash generated from operating activities RMB31.6 million and an increase of short-term bank loan RMB7.0 million, offset by the net purchase of fixed assets of RMB1.7 million.
- v) Decrease in advance payments of approximately RMB16.1 million to a related party for the purchase of raw materials.
- vi) Decrease in payments due from a related party (trade) RMB7.1 million.

Total current liabilities amounted to approximately RMB57.8 million as at 31 December 2016, representing an increase of 15.9% or approximately RMB7.9 million as compared to RMB49.9 million as at 31 December 2015. This was due mainly to an increase in trade payables of approximately RMB1.0 million, short-term bank loan RMB7.0 million and income tax payable RMB0.6 million, partially off-set by the decrease in other payables and accruals of approximately RMB0.7 million.

C Consolidated Cash Flow Statement

Cash and cash equivalents as at 31 December 2016 increased by approximately RMB36.9 million to RMB73.5 million as compared to RMB36.6 million as at 31 December 2015. The increase was due mainly to cash generated from operating activities RMB31.6 million and an increase of short-term loan RMB7.0 million, offset by the net purchase of fixed assets of approximately RMB1.7 million.

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

Our current result is in line with our statement made under paragraph 10 in our financial results announcement for the half year ended 30 June 2016 released on 2 August 2016.

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.

Global uncertainty and economic slowdown has continued to affect the demand of our aluminium panels in the domestic and the overseas markets. We are constantly challenged with very intense competition, lower selling prices, rising costs and the increasing requirement of our customers. The slower demand from our overseas customers will continue to impact on our performance in the export market.

Within the PRC, tighter control and prudent expenditure by both the public and private sectors on the building and infrastructure projects will prevail and continue to affect the demand of our aluminium panels.

To remain competitive, Management will continue to focus on enhancing productivity growth, improving the quality of our panels, innovate and introduce new designs to meet with the changing demands of our customers. We will remain vigilant on internal cost control, cash management and continue to safeguard the assets of the Group.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

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

No dividend has been declared or recommended for the financial year ended 31 December 2016.

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.

Pursuant to Rule 920(1)(a)(ii) of the Listing Manual, the details of the aggregate value of interested person transactions conducted pursuant to a shareholders' general mandate are as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year ended 31 December 2016 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) for the financial year ended 31 December 2016
	RMB'000	RMB'000
Jiangyin Haida Caitu Co., Ltd. (formerly known as Jiangyin Haida Group., Ltd.)		
-Reimbursement of utility expenses	-	1,907
-Advances paid for purchase of raw materials *	-	(134,095)
-Purchase of raw materials	-	(128,353)
-Reimbursements for purchase of raw materials	-	3,329
Jiangyin East-China Aluminium Technology Co., Ltd.		
-Spray-painting income	-	39,379
-Reimbursement of electricity expenses	-	1,152
-Purchase of raw materials	-	(2,220)
-Sales of aluminium panels and paint	-	1,181

Save as disclosed above, there were no other interested persons transactions conducted for the financial year ended 31 December 2016.

*Jiangyin Haida Caitu Co., Ltd. requires the Group to provide advances for purchases of raw materials. Such advances would be used to reduce payable for purchase transactions. The advance to Jiangyin Haida Caitu Co., Ltd. as at 31 December 2016 was approximately RMB12.0 million (31 December 2015: RMB28.1 million).

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)
14. 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.

Our revenue is primarily derived from the manufacture and sale of aluminium composite panels, including interior and exterior composite panels (ACP) and aluminium single panels (ASP). Accordingly, no segmental analysis is provided.

The following table shows the distribution of the Group's revenue by geographical location of customers, whereas all of the Group's segment assets are based on the location of the assets:

BY GEOGRAPHICAL SEGMENTS

The Group's geographical segmentation is based on the country of origin of our customers and not the destination of shipments.

	THE GROUP	
	1 Jan 2016 to 31 Dec 2016 FY2016	1 Jan 2015 to 31 Dec 2015 FY2015
	RMB'000 Unaudited	RMB'000 Audited
<u>Revenue</u>		
PRC	179,517	165,935
Overseas	107,039	144,401
Total	286,556	310,336
<u>Assets</u>		
PRC	332,514	315,246
Singapore	121,624	116,297
Less: Inter-segment elimination	(116,003)	(106,674)
Total	338,135	324,869

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

Economic slowdown within the PRC and the global markets had continued in FY2016 and this had affected the demand of our aluminium panels. We were constantly faced with keen competition and falling selling prices in the overseas and domestic markets. The tight control and prudent expenditure on large infrastructure projects by both the public and private sectors in the domestic market had prevailed and would continue to affect the sales of our aluminium panels.

Compared to FY2015, we saw a decrease in total revenue of approximately RMB23.8 million or 7.7%, which was attributed to lower export sales of aluminium panels, mainly ACP. Domestic sales had increased due mainly to the rising demand of ASP for the private infrastructure projects. Spray-painting services, an ancillary service provided by Litai within the PRC had also increased.

Despite the lower revenue, gross profit increased approximately 23.7% or RMB5.8 million to RMB30.3 million in FY2016.

Gross profit margin had also increased from 7.9% in FY2015 to 10.6% in FY2016, attributed mainly to lower cost of sales. A higher net profit after taxation of RMB5.0 million was recorded for FY2016.

16. A breakdown of sales.

THE GROUP			
FY2016	FY2015	Increase / (decrease)	
RMB'000 Unaudited	RMB'000 Audited	%	
(a) Sales reported for first half year	135,276	135,614	(0.2)%
(b) Net profit after tax for the first half year	1,928	1,272	51.6 %
(c) Sales reported for second half year	151,280	174,722	(13.4)%
(d) Net profit after tax for second half year	3,100	2,130	45.5 %

17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

	FY2016	FY2015
	RMB'000	RMB'000
Dividends paid:		
- interim dividend	-	-
- final dividend in relation to previous financial year	-	-

18. **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, we confirm that the persons occupying managerial positions who are relatives of a director or chief executive officer or substantial shareholder of the Company are as follows:

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Mr. Xu Youcai	61	Spouse of the Non-Executive Chairman and substantial shareholder, Ms. Zhao Guiying	Chief Executive Officer of China Haida Ltd. Executive Director since 20 September 2004. Responsible for the formulation and execution of Group's overall business strategies and policies and the development of Group's overseas market.	No change
Ms. Zhao Guiying	59	Spouse of the Chief Executive Officer and substantial shareholder, Mr. Xu Youcai	Non-Executive Chairman of China Haida Ltd. Director since 20 September 2004.	No change

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

The Company hereby confirms that it has procured undertakings from all its Directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

BY ORDER OF THE BOARD

Xu Youcai
Chief Executive Officer
28 February 2017