

The Board of Directors of China Haida Ltd. is pleased to announce the consolidated results of the Group for the year ended 31 December 2017.

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)

		THE GROUP		
		1 Jan 2017 to 31 Dec 2017	1 Jan 2016 to 31 Dec 2016	Variance Increase/ (Decrease)
		FY2017	FY2016	
		RMB '000	RMB '000	%
		Unaudited	Audited	
Revenue	销售收入	242,546	286,556	(15.4)%
Cost of sales	销售成本	(229,575)	(256,241)	(10.4)%
Gross profit	毛利	12,971	30,315	(57.2)%
Gross profit margin	毛利率	5.3%	10.6%	(5.2)%
Other operating income	其他收入	5,326	4,926	8.1 %
Selling and distribution expenses	营业费用	(6,967)	(5,670)	22.9 %
Administrative expenses	管理费用	(37,205)	(20,821)	78.7 %
(Loss) / profit from operations	营运 (亏损) / 利润	(25,875)	8,750	(395.7)%
Finance costs	财务费用	(1,060)	(1,059)	0.1 %
(Loss) / profit before taxation	税前 (亏损) / 利润	(26,935)	7,691	(450.2)%
Taxation	所得税	(6)	(2,663)	(99.8)%
(Loss) / profit after taxation	净 (亏损) / 利润	(26,941)	5,028	(635.8)%
Other comprehensive income :	其他收入:			
Currency translation differences	汇兑损益	68	205	(66.8)%
Total comprehensive (loss)/income attributable to equity holders of the company	股东应得总 (亏损) / 盈利	(26,873)	5,233	(613.5)%

Explanatory Notes

A (Loss)/ Profit before taxation

The following items have been included in arriving at (loss)/profit before taxation:

		THE GROUP	
		FY 2017	FY 2016
		RMB '000	RMB '000
		Unaudited	Audited
	Note		
Other Operating income:	其他收入：		
- Interest income on bank deposits	(1) 利息收入	187	137
- Sales of scraps and raw materials	废料及材料销售收入	1,573	1,462
- Government grant / incentive	(2) 政府津贴	670	212
- Write back of doubtful debts	(3) 坏账充回	2,896	1,475
- Foreign exchange gain - net	(4) 外汇盈利	-	1,640
		5,326	4,926
- Foreign exchange loss - net	(4) 外汇亏损	(1,638)	-
- Interest expenses	(5) 利息费用	(1,060)	(1,059)
- Allowance for doubtful debts	(3) 坏账准备	(6,661)	-
- Amortisation of lease prepayments	分摊预付土地使用费	(302)	(302)
- Depreciation of PPE	(6) 固定资产折旧费	(6,567)	(7,423)
- Impairment of PPE/loss on disposal of PPE, net	(7) 固定资产处理净损失	(6,994)	(984)

Note

(1) Higher interest income in FY2017 was mainly due to increase balance placed in fixed deposit.

(2) This comprised of the following:

	31 Dec 2017	31 Dec 2016
	RMB	RMB
- Government incentive grant to our wholly-owned subsidiary, Jiangyin Litai Decorative Materials Co., Ltd. ('Litai') by:		
PRC government	462,000	43,000
Jiangsu Province	196,000	159,000
- an employment credit incentive given by the Singapore government	<u>12,000</u>	<u>10,000</u>
Total:	<u>670,000</u>	<u>212,000</u>

(3) For FY2017, there was a net allowance for doubtful debts of approximately RMB3.8 million, which consisted of a provision for doubtful debts of approximately RMB6.7 million and a writeback of doubtful debts of approximately RMB2.9 million, as compared to a write back of approximately RMB1.5 million in FY2016.

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

		FY2017 RMB'000		FY2016 RMB'000
Balance at beginning of the year		10,869		12,344
Add: Allowance during the financial year	6,661	-		-
Less: Write back during the year	<u>(2,896)</u>	<u>3,765</u>	(1,475)	<u>(1,475)</u>
Balance at end of the year *		<u>14,634</u>		<u>10,869</u>

(4) For FY2017, a foreign exchange loss of approximately RMB1.6 million was recorded as compared to a foreign exchange gain of approximately RMB1.6 million in FY2016. This was attributed to the weakening USD against the RMB throughout the year.

(5) Interest expenses were comparable to FY2016, attributed mainly to the comparable bank interest rate of 4.85% per annum as compared to 4.82% to 4.85% per annum in the last financial year.

(6) Lower depreciation was recorded in FY2017 and was attributed mainly to certain assets which had been fully depreciated during the year under review.

(7) This comprised of the following:

	FY2017 RMB'000	FY2016 RMB'000
Write-off of ACP production line and related equipment	-	852
Impairment of leasehold building (see below note *)	7,143	-
Gain/(loss) on disposal of motor vehicle and office equipment	(149)	171
Gain on disposal of production equipment	<u>-</u>	<u>(39)</u>
Total	<u>6,994</u>	<u>984</u>

Note *

A hostel with several rooms was erected within the production area to provide accommodation to the production workers who came from the other provinces. The hostel was located on the upper level of the production area and was being occupied by the workers. After visits by the fire department and their precautionary advice of potential fire risks around the vicinity of the hostel, the Management of Litai, after due consideration for the safety of the workers, had decided to vacate its employees from the hostel since 2013. The Management had considered alternative potential usage of the hostel however due to its location, it was found not cost effective as many changes had to be made. Hence a decision was made to impair the hostel in FY2017.

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

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

Non-Current Assets

Property, plant and equipment (1)

Investment in a subsidiary

Lease prepayments

Current Assets

Lease prepayments

Inventories (2)

Trade and bills receivables (3)

Other receivables, deposits and prepayments

Advance payments to a related party (trade) (4)

Due from a related party (trade) (5)

Cash and cash equivalents (6)

Total Current Assets

TOTAL ASSETS

Current Liabilities

Trade payables

Other payables and accruals

Due to a subsidiary (non-trade)

Short-term bank loans (7)

Income tax payable

Non-current liability

Deferred Taxation (8)

TOTAL LIABILITIES

NET ASSETS

SHAREHOLDERS' EQUITY

Share capital

Statutory reserve fund

Capital reserve

Currency translation reserve

Retained earnings / (accumulated losses)

TOTAL EQUITY

资产负债表

长期资产

固定资产 (1)

子公司投资额

土地使用预付

流动资产

土地使用预付

存货 (2)

应收账款+票据 (3)

其他应收款

预付款-关联公司(贸易) (4)

应收款-关联公司(贸易) (5)

货币资金(银行存款) (6)

资产总计

流动负债

应付账款

其他应付账款

应付款-子公司(非贸易)

短期借款 (7)

应付所得税

非流动负债

递延税项 (8)

负债总计

净资产

股东权益

实收资本

盈余公积

资本备用金

汇兑

未分配利润/(亏损)

股东权益合计

		THE GROUP		THE COMPANY	
		As at 31-Dec-17	As at 31-Dec-16	As at 31-Dec-17	As at 31-Dec-16
		RMB'000	RMB'000	RMB'000	RMB'000
		Unaudited	Audited	Unaudited	Audited
		49,870	51,218	760	139
		-	-	115,194	113,631
		10,513	10,815	-	-
		302	302	-	-
		54,948	53,055	-	-
		119,537	122,827	-	-
		3,443	3,319	117	125
		14,211	11,950	-	-
		2,063	11,126	-	-
		52,193	73,523	7,276	7,729
		246,697	276,102	7,393	7,854
		307,080	338,135	123,347	121,624
		17,664	24,431	-	-
		13,976	10,617	1,023	903
		-	-	2,274	2,282
		22,000	22,000	-	-
		-	774	-	-
		53,640	57,822	3,297	3,185
		1,182	1,182	-	-
		54,822	59,004	3,297	3,185
		252,258	279,131	120,050	118,439
		140,543	140,543	140,543	140,543
		23,367	23,367	-	-
		47,946	47,946	-	-
		(775)	(843)	(3,135)	(4,766)
		41,177	68,118	(17,358)	(17,338)
		252,258	279,131	120,050	118,439

- (1) During the year under review, there was an addition to PPE for the Group of approximately RMB12.4 million which comprised of an additional new production line and its accessories for the production of fireproof Aluminium Composite Panels ('ACP') of approximately RMB8.6 million, warehouse improvement/upgrading of approximately RMB1.9 million, other production machinery and equipment (cutting and welding machines, cranes etc.) RMB0.6 million, office equipment approximately RMB0.6 million and motor vehicle RMB0.7 million. However, lower fixed assets were recorded in FY2017, attributed to certain assets which had been fully depreciated, and also the impairment of the leasehold building (hostel) of approximately RMB7.1 million.
- (2) As at 31 December 2017, the inventory balance was marginally higher as compared to the previous financial year. Taking into consideration the procurement and production lead time, Litai had to maintain a certain level of inventory to meet customers' demand.

- (3) Despite the lower revenue, the trade receivable balances as at 31 December 2017 (before impairment of doubtful debts) were marginally higher as compared to FY2016. This was attributed to the higher sales in the last quarter of 2017. The debtors' turnover had increased to an average of 223 days in FY2017 as compared to an average of 188 days in FY2016.

An analysis of trade receivables balances was as follows:

	FY2017 RMB'000	FY2016 RMB'000
Trade receivables	132,728	130,646
Less: Allowance for impairment of trade receivable *	<u>(14,634)</u>	<u>(10,869)</u>
	118,094	119,777
Add: Bills receivables	<u>1,443</u>	<u>3,050</u>
Trade receivables at end of the year	<u>119,537</u>	<u>122,827</u>

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

- (4) As at 31 December 2017, there was an advance payment to a related party, Jiangyin Haida Caitu Co., Ltd. of approximately RMB14.2 million for the purchase of raw materials (31 December 2016: RMB12.0 million).
- (5) As at 31 December 2017, there was an outstanding amount of approximately RMB2.1 million due from 2 related parties, Jiangyin East-China Aluminium Technology Co., Ltd of approximately RMB0.5 million (FY2016: RMB11.0 million) and Jiangyin Comat Metal Products Co., Ltd of approximately RMB1.6 million (FY2016: RMB0.1 million), attributed to the sales of spray-painting services and sales of aluminium panels by Litai respectively.
- (6) Decrease in cash and bank balances of approximately RMB21.3 million was due mainly to cash used in operating activities of approximately RMB8.7 million and purchase of PPE of approximately RMB12.4 million, offset by cash from financing activities of RMB1.9 million.
- (7) As at 31 December 2017, the short-term bank loan was unchanged at RMB22.0 million. (FY2016: RMB 22.0 million)
- (8) This was related to undistributed earnings of Litai.

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

THE GROUP	
As at 31 Dec 2017	As at 31 Dec 2016
Secured	Secured
RMB '000	RMB '000
Amount repayable in one year or less, or on demand 22,000	22,000

Details of any collateral

As at 31 December 2017, bank loans totaling RMB22.0 million were secured by leasehold building and land use rights with net book values of approximately RMB3.39 million and RMB1.17 million respectively (net carrying values as at 31 December 2016 were RMB4.01 million and RMB1.20 million respectively). In addition, bank loan was also secured by the personal guarantee of the Chief Executive Officer and an unrelated business associate.

Interest on these bank loans was charged at interest rate of 4.85% per annum. (FY2016: 4.82% to 4.85% 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

合并流动现金报表

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

Cash flows from operating activities

(Loss)/profit before taxation

Adjustments for:

Allowance for doubtful trade debts
Write back of allowance for doubtful trade debts
Amortisation of lease prepayment
Depreciation of PPE
Loss on disposal of PPE
PPE written off
Deposit written off
Profit on disposal of PPE
Impairment of PPE
Interest expense
Interest income
Unrealised translation loss/(gain)

Operating (loss)/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 (used in) / generated from operations

Interest paid
Interest received
Income tax paid

Net cash (used in) / generated from 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
Deposit released /(pledged)
Net cash from financing activities

Net (decrease) / increase in cash and cash equivalents

Cash and cash equivalents at beginning of year
Effect of exchange rate changes in cash and cash equivalents

Cash and cash equivalents at end of year

THE GROUP	
2017	2016
RMB'000	RMB'000
Unaudited	Audited
(26,935)	7,691
6,661	-
(2,896)	(1,475)
302	302
6,567	7,423
-	171
-	813
216	-
(149)	-
7,143	-
1,060	1,059
(187)	(137)
442	(240)
(7,776)	15,607
(1,893)	(2,277)
(475)	(2,724)
(339)	(111)
(3,408)	328
9,063	7,089
(2,261)	16,136
(7,089)	34,048
(1,060)	(1,059)
187	137
(780)	(1,962)
(8,742)	31,164
(12,355)	(1,806)
-	122
(12,355)	(1,684)
22,000	22,000
(22,000)	(15,000)
1,849	(1,849)
1,849	5,151
(19,248)	34,631
71,674	36,598
(233)	445
52,193	71,674

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	<u>Attributable to equity holders of the Company</u>					
		Statutory		Currency		
	Share	Reserve	Capital	Translation	Retained	Total
	Capital	Fund	Reserve	Deficit	Earnings	Equity
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
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
Balance as at 1.1.2017	140,543	23,367	47,946	(843)	68,118	279,131
Total comprehensive income/(loss) for the year	-	-	-	68	(26,941)	(26,873)
Balance as at 31.12.2017	140,543	23,367	47,946	(775)	41,177	252,258

Company	Currency			
	Share	Translation	Accumulated	Total
	Capital	Deficit	Losses	Equity
	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>	<u>RMB'000</u>
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
Balance as at 1.1.2017	140,543	(4,766)	(17,338)	118,439
Total comprehensive income/(loss) for the year	-	1,631	(20)	1,611
Balance as at 31.12.2017	140,543	(3,135)	(17,358)	120,050

- 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.**

There was no change in the issued and paid-up share capital of the Company since the previous financial year. 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 2017 and 31 December 2016.

The Company has no outstanding convertibles as well as treasury shares as at 31 December 2017 and 31 December 2016.

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 2017	As at 31 Dec 2016
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.

1(d)(v) A statement showing all sales, transfers, disposals, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Company has no subsidiary holdings.

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 2016 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 2017. 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 2017 to 31 Dec 2017	1 Jan 2016 to 31 Dec 2016
		Unaudited	Audited
(Loss)/profit after taxation (RMB '000)	税后净利润	(26,941)	5,028
Weighted average number of ordinary shares in issue applicable to earnings	普通股总计	254,880,660	254,880,660
(Loss)/earnings per ordinary share (RMB cents)	每股(亏损)/收益		
- Basic	-基本(亏损)/收益	(10.6)	2.0
- Diluted	-稀释(亏损)/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 2017	As at 31 Dec 2016	As at 31 Dec 2017	As at 31 Dec 2016
Net Assets (RMB'000) / 净资产	252,258	279,131	120,050	118,439
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:	99.0	109.5	47.1	46.5

Net asset value per ordinary share was calculated based on 254,880,660 issued ordinary shares excluding treasury shares as at 31 December 2017 and 31 December 2016 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 (FY2017 versus FY2016)

(i) Revenue

Compared to FY2016, the Group's total revenue decreased 15.4% or approximately RMB44.1 million, from RMB286.6 million to RMB242.5 million, due to lower demand of both domestic and export sales of aluminium panels.

Total revenue comprised domestic sales approximately RMB143.3 million or 59.1% and export sales approximately RMB99.2 million or 40.9%. (FY2016: domestic sales RMB179.5 million or 62.6% and export sales RMB107.1 million or 37.4%).

Compared to FY2016, domestic sales declined by approximately RMB36.2 million or 20.2%. This was attributed mainly to the lower demand of both ACP and ASP within the PRC. Economic slowdown and uncertainty continued throughout the year in 2017. The intense competition and falling selling prices within a shrinking market in both the public and private sectors had not shown signs of improvement. In addition, the stringent governmental control over the large building projects remained unchanged which had adversely affected the demand of our aluminium panels. The auxiliary sales of spray-painting services had similarly declined by approximately RMB14.6 million or 35% to RMB27.1 million as compared to the previous financial year.

Export sales of ACP declined marginally by approximately RMB8.6 million or 8.1% as compared to FY2016. This was due mainly to the slowdown in the global markets and the intense competition overseas.

(ii) Gross Profit

As a result of the lower revenue in FY2017, gross profit decreased approximately RMB17.3 million or 57.2%, from RMB30.3 million to RMB13.0 million as compared to FY2016. Gross profit margin had decreased from 10.6% to 5.3% in FY2017. The rising aluminium costs, higher labour and related expenses and other overhead expenses such as utilities, repairs and consumables had contributed to the lower gross profit margin.

(iii) Operating Expenses

Total operating expenses increased RMB17.6 million or 66.4%, from RMB26.5 million in FY2016 to RMB44.2 million in FY2017, attributed to both higher sales and administrative expenses.

Despite the lower revenue, selling and distribution expenses increased 22.9% or approximately RMB1.3 million, from approximately RMB5.7 million to RMB7.0 million. The higher expenses were attributed mainly to higher labour related expenses (RMB0.3 million) and higher transport costs of shipment mainly to customers in Europe and South America (RMB1.1 million).

Administrative expenses increased approximately RMB16.4 million or 78.8%, from RMB20.8 million to RMB37.2 million in FY2017. The increase was attributed to higher salary and related expenses (RMB0.7 million), allowances for doubtful debts RMB6.7 million, an impairment of leasehold building (hostel) RMB7.1 million, exchange loss RMB1.6 million and other expenses approximately 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 comparable to FY2016, attributed mainly to the comparable bank interest rate of 4.85% per annum in FY2017 as compared to 4.82% to 4.85% per annum in FY2016.

(vi) Income Tax

This was related to undistributed earnings of Litai.

(vii) Net Profit after taxation

With lower revenue and lower gross profit, the Group registered a net loss after taxation of approximately RMB26.9 million, as compared to a net profit after taxation of RMB5.0 million in FY2016.

B Consolidated Balance Sheet (31 December 2017 versus 31 December 2016)

Total current assets decreased 10.6% or approximately RMB29.4 million, from RMB276.1 million as at 31 December 2016 to RMB246.7 million as at 31 December 2017. This was primarily due to the following factors:

- i) Decrease in trade and bills receivables RMB3.3 million due mainly to allowance for doubtful debts.
- ii) Decrease in cash and cash equivalents RMB21.3 million.
- iii) Decrease in payments due from a related party (trade) RMB9.0 million.
- iv) Increase in inventories approximately RMB1.9 million.
- v) Increase in other receivables and prepayments RMB0.1 million.
- vi) Increase in advance payments of approximately RMB2.2 million to a related party for the purchase of raw materials.

Total current liabilities amounted to approximately RMB53.6 million as at 31 December 2017, representing a decrease of 7.2% or approximately RMB4.2 million as compared to RMB57.8 million as at 31 December 2016. This was due mainly to a decrease in trade payables of approximately RMB6.7 million, income tax payable RMB0.8 million, off-set by the increase in other payables and accruals of approximately RMB3.4 million.

C Consolidated Cash Flow Statement

Cash and cash equivalents as at 31 December 2017 decreased by approximately RMB19.2 million to RMB52.2 million as compared to RMB71.7 million as at 31 December 2016. The increase was due mainly to cash used in operating activities RMB8.7 million and purchase of PPE of approximately RMB12.4 million, offset by cash from financing activities of approximately RMB1.9 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 2017 released on 3 August 2017.

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.

Slowdown and uncertainty in both the domestic and global markets will continue to affect the demand of our aluminium panels. Stringent control by the Chinese government and prudent expenditure on building infrastructure projects in both the public and private sectors have remained unchanged. The intense competition and falling selling prices of panels will prevail.

To remain competitive, Management will continue to focus on enhancing productivity growth, improving the quality of our panels, innovate and introduce new designs such as the fireproof aluminium composite panels 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 2017.

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 obtained at the AGM held on 28 April 2017, are as follows:

Name of Interested Person	Aggregate value of all interested person transactions during the financial year ended 31 December 2017 (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 2017
	RMB'000	RMB'000
Jiangyin Haida Caitu Co., Ltd.		
-Reimbursement of utility expenses	-	1,620
-Advances paid for purchase of raw materials *	-	(132,427)
-Purchase of raw materials	-	(111,227)
-Sales of paint	-	1,231
Jiangyin East-China Aluminium Technology Co., Ltd.		
-Spray-painting income	-	25,235
-Reimbursement of utility expenses	-	887
-Purchase of raw materials	-	(1,953)
Jiangyin Comat Metal products Co., Ltd.		
-Sales of aluminium panels	-	1,587

Save as disclosed above, there were no other interested persons transactions conducted for the financial year ended 31 December 2017.

*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 2017 was approximately RMB14.2 million (31 December 2016: RMB12.0 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 2017 to 31 Dec 2017 FY2017	1 Jan 2016 to 31 Dec 2016 FY2016
	RMB'000	RMB'000
	Unaudited	Audited
Revenue		
PRC	143,360	179,517
Overseas	99,186	107,039
Total	242,546	286,556
Assets		
PRC	301,290	332,514
Singapore	123,347	121,624
Less: Inter-segment elimination	(117,557)	(116,003)
Total	307,080	338,135

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 FY2017 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 FY2016, we saw a decrease in total revenue of approximately RMB44.1 million or 15.4%, which was attributed mainly to the lower domestic sales of ACP. The auxiliary sales of spray-painting services provided by Litai within the PRC had also decreased.

With lower revenue, gross profit decreased approximately 57.2% or RMB17.3 million to RMB13.0 million in FY2017. Gross profit margin had also decreased from 10.6% in FY2016 to 5.3% in FY2017, attributed mainly to higher cost of sales. A net

loss after taxation of RMB26.9 million was recorded for FY2017.

16. A breakdown of sales.

	FY2017	FY2016	Increase / (decrease)
	RMB'000	RMB'000	%
	Unaudited	Audited	
(a) Sales reported for first half year	103,405	135,276	(23.6)%
(b) Net (loss)/profit after tax for the first half year	(5,663)	1,928	(393.7)%
(c) Sales reported for second half year	139,141	151,280	(8.0)%
(d) Net (loss)/profit after tax for second half year	(21,278)	3,100	(786.4)%

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

	FY2017	FY2016
	RMB'000	RMB'000
Dividends paid:		
- interim dividend	-	-
- final dividend in relation to previous financial year	-	-



CHINA HAIDA LTD.

(Incorporated in Singapore on 18 August 2004) Company Registration No. 200410428C
420 North Bridge Road #04-06 North Bridge Centre Singapore 188727

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- 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 there are no persons occupying managerial positions who are relatives of a director or chief executive officer or substantial shareholder of the Company.

- 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 2018
