

The Board of Directors of China Haida Ltd. is pleased to announce the consolidated results of the Group for the half year ended 30 June 2017.

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

Renminbi ("RMB") currency)

These figures have not been audited

<b>Revenue</b>	<b>销售收入</b>
Cost of sales	销售成本
<b>Gross profit</b>	<b>毛利</b>
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
<b>(Loss) / profit from operations</b>	<b>营业(亏损) / 利润</b>
Finance costs	财务费用
<b>(Loss) / profit before taxation</b>	<b>税前(亏损) / 利润</b>
Taxation	所得税
<b>(Loss) / profit after taxation</b>	<b>税后(亏损) / 利润</b>
<b>Other comprehensive income :</b>	<b>其他收入 :</b>
Currency translation differences	汇兑损益
<b>Total comprehensive (loss) / income attributable to equity holders of the company</b>	<b>股东应承担的总亏损 / 利润</b>

THE GROUP		
1 Jan 17 to 30 Jun 17 HY2017	1 Jan 16 to 30 Jun 16 HY2016	Variance Increase / (Decrease)
RMB'000	RMB'000	%
103,405	135,276	(23.6)%
(95,757)	(118,965)	(19.5)%
7,648	16,311	(53.1)%
7.4%	12.1%	(4.7)%
981	1,522	(35.5)%
(3,400)	(2,776)	22.5 %
(9,695)	(10,512)	(7.8)%
(4,466)	4,545	(198.3)%
(537)	(524)	2.5 %
(5,003)	4,021	(224.4)%
(660)	(2,093)	(68.5)%
(5,663)	1,928	(393.7)%
78	174	(55.2)%
(5,585)	2,102	(365.7)%

**Explanatory Notes**
**A (Loss) / profit before taxation**

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

		<b>THE GROUP</b>	
		<b>1 Jan 17 to 30 Jun 17 HY 2017 RMB '000</b>	<b>1 Jan 16 to 30 Jun 16 HY 2016 RMB '000</b>
	Note		
Other Operating income:	其他收入		
- Interest income on bank deposits	(1) 利息收入	132	65
- Sales of scraps and raw materials	(2) 废料收入	610	489
- Government grant / incentive	(3) 政府津贴	239	207
- Foreign exchange gain - net	(4) 外汇收益	-	761
		<b>981</b>	<b>1,522</b>
Foreign exchange loss - net	(4) 外汇亏损	(513)	-
Interest expenses	(5) 利息费用	(537)	(524)
Amortisation of lease prepayments	分摊预付土地使用费	(150)	(150)
Allowance for doubtful trade receivables	(6) 坏账准备	-	(2,500)
Depreciation of property, plant and equipment (PPE)	(7) 固定资产折旧费	(3,477)	(3,805)

**Note**

- (1) The weighted average bank deposit rate for the current period was 0.35% per annum which was similar to the rate for HY2016. However, interest income for HY2017 was higher than the previous period as a result of the higher cash deposit at the beginning of the year.
- (2) Income from sales of scraps and raw materials was higher due to higher wastage when cutting the aluminium panels during the production process.
- (3) This comprised of the following:
- |  | <b>30 June 2017<br/>RMB</b> | <b>30 June 2016<br/>RMB</b> |
|--|-----------------------------|-----------------------------|
| - Global expansion incentive grant to our wholly-owned subsidiary, Jiangyin Litai Decorative Materials Co., Ltd. ("Litai") by: |                             |                             |
| PRC government   | -                           | 43,000                      |
| Jiangsu Province   | 234,000                     | 159,000                     |
| - an employment credit incentive given by the Singapore government   | 5,000                       | 5,000                       |
- (4) There was a net foreign exchange loss for HY2017 due to the weakening of the US dollars against the RMB during the period under review.
- (5) For HY2017, the interest expense was comparable to that of the previous period under review. The weighted average interest expense rate at 4.875% per annum was similar to HY2016.
- (6) No general provision for doubtful trade receivables was provided in HY2017 (HY2016: RMB2.5 million).
- (7) Lower depreciation was recorded for HY2017 which was attributed mainly to certain assets which had been fully depreciated during the period under review.



**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 period under review, there was an addition to PPE for Litai of approximately RMB2.1 million for the purchase of machinery and equipment RMB0.6 million and construction in progress for warehouse upgrading RMB1.5 million respectively. However, lower fixed assets were recorded in HY2017 due to certain assets which had been fully depreciated during the period under review.
- (2) Higher inventory was registered as at 30 June 2017 mainly because of the anticipated demand of future orders from the customers.
- (3) Trade receivables as at 30 June 2017 was lower as compared to the balance as at 31 December 2016, which was attributed mainly to the lower sales for the period under review.

An analysis of trade receivables balances was as follows:

	<b>As at 30.6.2017</b>	<b>As at 31.12.2016</b>
	RMB'000	RMB'000
Trade receivables	110,505	130,646
Less allowance for impairment	<u>(10,869)</u>	<u>(10,869)</u>
	99,636	119,777
Bills receivables	<u>1,400</u>	<u>3,050</u>
Trade receivables as at	<u>101,036</u>	<u>122,827</u>

- (4) As at 30 June 2017, other debtors, deposits and prepayments had increased by approximately RMB10.8 million as compared to the balance as at 31 December 2016. The increase was due mainly to the prepayment by Litai of approximately RMB10.0 million for the purchase of a new production line for Aluminium Composite Panels ('ACP'). The new line would replace the old one which was written off previously. The estimated total cost of the new production line was approximately RMB12.0 million and would be installed in the second half of the year.
- (5) As at 30 June 2017, there was an advance payment to a related party, Jiangyin Haida Caitu Co., Ltd. of approximately RMB19.7 million for the purchase of raw materials. (31 December 2016: RMB12.0 million).
- (6) As at 30 June 2017, there was an outstanding amount of approximately RMB24.2 million owing by a related party (trade), Jiangyin East-China Aluminium Technology Co., Ltd. This was attributed to the sales of spray-painting services provided by Litai (31 December 2016: RMB11.1 million). The outstanding balance would be expected to be repaid in the second half of the year.
- (7) There was a decrease of cash and bank balances of approximately RMB30.7 million as at 30 June 2017. This was due to cash used in operating activities of approximately RMB28.6 million and the purchase of PPE of approximately RMB2.1 million.
- (8) As at 30 June 2017, the short-term bank loan was unchanged at RMB22.0 million. (31 December 2016: RMB22.0 million)
- (9) 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.**

Amount repayable in one year or less, or on demand

<b>THE GROUP</b>			
<b>As at 30 Jun 2017</b>		<b>As at 31 Dec 2016</b>	
<b>Secured</b>	<b>Unsecured</b>	<b>Secured</b>	<b>Unsecured</b>
<b>RMB '000</b>	<b>RMB '000</b>	<b>RMB '000</b>	<b>RMB '000</b>
7,000	15,000	7,000	15,000

**Details of any collaterals**

As at 30 June 2017, bank loans totaling RMB7.0 million were secured by leasehold building and land use rights with net carrying values of approximately RMB3,697,000 and RMB1,187,000 respectively (net carrying values as at 31 December 2016 were RMB4,006,000 and RMB1,204,000 respectively). In addition, the RMB7.0 million bank loans were also secured by the personal guarantee of the Chief Executive Officer. Interest on these bank loans was charged at the weighted average interest rate of 4.875% (31 December 2016: 4.82% to 4.85%) per annum.



**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	Statutory reserve fund	Capital reserve	Currency translation reserve	Revenue reserve	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance as at 1.1.2016	140,543	22,634	47,946	(1,048)	63,823	273,898
Total comprehensive income for the period	-	-	-	174	1,928	2,102
Balance as at 30.6.2016	140,543	22,634	47,946	(874)	65,751	276,000
Balance as at 1.1.2017	140,543	23,367	47,946	(843)	68,118	279,131
Total comprehensive loss for the period	-	-	-	78	(5,663)	(5,585)
Balance as at 30.6.2017	140,543	23,367	47,946	(765)	62,455	273,546

  

COMPANY	Share capital	Currency translation reserve	Accumulated losses	Total
	RMB'000	RMB'000	RMB'000	RMB'000
	Balance as at 1.1.2016	140,543	(10,008)	(17,406)
Total comprehensive income for the period	-	4,525	(2,293)	2,232
Balance as at 30.6.2016	140,543	(5,483)	(19,699)	115,361
Balance as at 1.1.2017	140,543	(4,766)	(17,338)	118,439
Total comprehensive income for the period	-	2,901	(2,501)	400
Balance as at 30.6.2017	140,543	(1,865)	(19,839)	118,839

- 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 period ended 30 June 2016. The total number of issued shares excluding treasury shares and subsidiary holdings of the Company was RMB140,543,000 comprising 254,880,660 ordinary shares as at 30 June 2017 and 30 June 2016 respectively. The Company has no outstanding convertibles, no treasury shares and no subsidiary holdings as at 30 June 2017 and 30 June 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 COMPANY	
	As at 30 Jun 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, disposals, 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 latest annual audited financial statements for the financial 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 beginning on or after 1 January 2017, where applicable. 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 30 Jun 2017	1 Jan 2016 to 30 Jun 2016
(Loss) / profit after taxation / 净亏损 / 净利润 (RMB '000)	(5,663)	1,928
Weighted average number of ordinary shares on issue applicable to earnings / 普通股总计	254,880,660	254,880,660
(Loss)/earning per ordinary share (RMB cents)/每股亏损/收益-(分)		
- Basic / 基本亏损/收益	(2.2)	0.8
- Diluted / 稀释亏损/收益	(2.2)	0.8

**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 30 Jun 2017	As at 31 Dec 2016	As at 30 Jun 2017	As at 31 Dec 2016
Net assets (RMB'000) / 净资产	273,546	279,131	118,839	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 periods (RMB cents)	107.3	109.5	46.6	46.5

Net asset value per ordinary share was calculated based on the 254,880,660 issued ordinary shares excluding treasury shares as at 30 June 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  
(c) 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 Consolidated Comprehensive Statement of Income (HY2017 vs HY2016)

#### (i) Revenue

Total revenue for HY2017 fell 23.6% or RMB31.9 million, from RMB135.3 million to RMB103.4 million attributed mainly to lower domestic sales.

Total revenue comprised domestic sales RMB51.5 million or 50 % and export sales RMB51.9 million or 50 % as compared to RMB79.8 million or 59.6% and RMB55.5 million or 40.4% in HY2016 respectively.

The decrease in domestic sales of approximately RMB28.3 million or 35.5 %, was attributed primarily to the lower demand of both ASP and ACP. With economic uncertainty and slowdown and coupled with stringent governmental control over the building and construction industry, the number of potential building projects within the PRC had declined. In addition, the prevalent method to award projects (particularly for the sales of Aluminium Single Panels, "ASP") to the lowest bidder had adversely affected Litai and had contributed to the loss of some large orders for HY2017. The auxiliary sales of spray-painting services had also declined in HY2017.

Export sales of ACP declined marginally by approximately RMB3.6 million or 6.5%, as a result of the intense competition and uncertainty in the overseas markets.

#### (ii) Gross Profit

As a result of the lower sales for HY2017, gross profit decreased by approximately RMB8.6 million or 53.1%, from RMB16.3 million to RMB7.7 million as compared to HY2016. The gross profit margin also fell to 7.4% in HY2017 as compared to 12.1% in HY2016 due to the lower sales.



**(iii) Operating Expenses**

Total operating expenses decreased marginally by 1.5% or RMB0.2 million from approximately RMB13.3 million to RMB13.1 million attributed mainly to lower Administrative expenses of approximately RMB0.8 million offset by an increase in Sales and distribution expenses of approximately RMB0.6 million.

Despite the lower revenue, selling and distribution expenses increased by approximately RMB0.6 million or 22.5%, from RMB2.8 million to RMB3.4 million. The increase was attributed to the higher transport cost of shipping the aluminium panels to the customers in Europe.

Administrative expenses decreased by approximately RMB0.8 million or 7.8%, from RMB10.5 million to RMB9.7 million, due mainly to lower staff and related expenses.

**(iv) Other Operating Income**

Please see explanatory note A to Part 1(a).

**(v) Finance Costs**

For HY2017, the interest expense was comparable to that of the previous period under review. The weighted average interest expense rate at 4.875% per annum was similar to HY2016

**(vi) Income Tax**

The income tax rate applicable for Litai was 25%. Taxation was provided for HY2017 although the Group had registered a net loss for the period under review as certain expenses which were not tax deductible were added back for tax purposes.

**(vii) Net Loss After Taxation**

Due to lower sales and lower gross profit, the Group recorded a net loss of approximately RMB5.7 million as compared to a net profit of approximately RMB1.9 million for HY2016.

**B Consolidated Balance Sheet (30 June 2017 versus 31 December 2016)**

Total current assets decreased by approximately 4.9%, or RMB13.5 million, from RMB276.1 million as at 31 December 2016 to RMB262.6 million as at 30 June 2017. This was primarily due to the following factors:

- i) Increase in inventories approximately RMB7.5 million was attributed to the anticipated demand of future orders from the customers.
- ii) Increase in other debtors, deposits and prepayments approximately RMB10.8 million attributed mainly to the prepayment of RMB10.0 million for a new ACP production line.
- iii) Increase in advance payments approximately RMB7.8 million to a related party for the purchase of raw materials.
- iv) Increase in amounts due from a related party (trade) of approximately RMB13.1 million.
- v) Decrease in cash and bank balances approximately RMB30.7 million attributed to cash used in operating activities RMB28.6 million and purchase of PPE approximately RMB2.1 million.
- vi) Decrease in trade and bills receivables approximately RMB21.8 million.

Total current liabilities amounted to RMB47.8 million as at 30 June 2017, representing a decrease of approximately RMB10.0 million or 17.3% as compared to 31 December 2016. This was due mainly to lower trade payables of approximately RMB5.0 million, lower other payable and accruals RMB4.2 million and income tax payable RMB0.8 million.

**C. Consolidated Cash Flow Statement**

Cash and bank balances as at 30 June 2017 was approximately RMB42.8 million, a decrease of approximately RMB30.7 million as compared to the cash and bank balances RMB73.5 million as at 31 December 2016. The reduction was due to a net cash used in operating activities of RMB28.6 million and the cash used in the purchase of PPE approximately RMB2.1 million.

The net cash used in operating activities RMB28.6 million was attributed to an operating loss before working capital changes of RMB0.9 million, net working capital changes of RMB25.9 million and payment of taxes and bank interest of RMB1.8 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 full year ended 31 December 2016 released on 28 February 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.**

Global uncertainty and economic slowdown will prevail and continue to impact our sales in the overseas and domestic markets. Selling prices of our aluminium panels will be affected by the intense competition and the slower demand of our panels will continue due to tighter governmental control and prudent expenditure on the building and infrastructure projects by both the public and private sectors.

To stay competitive, the Group will focus on increasing productivity growth and the need to innovate and introduce new designs of quality panels to capture the market share. We will remain vigilant on internal cost control, cash management and continue to safeguard the Group's assets.

**11. Dividend**

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

Any dividend declared for the current financial period reported on?

None

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

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

**(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 / recommended for the half year ended 30 June 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 are as follows:

Name of Interested Persons	Aggregate value of all interested person transactions during the financial period ended 30 June 2017 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000) for the half year ended 30 June 2017
	RMB'000	RMB'000
<b>Jiangyin Haida Caitu Co., Ltd. (formerly known as Jiangyin Haida Group., Ltd.)</b>		
-Reimbursement of electricity expenses	-	773
-Advances paid for purchase of raw materials *	-	(63,831)
-Purchase of raw materials	-	(47,900)
-Sales of paint	-	702
<b>Jiangyin East-China Aluminium Technology Co., Ltd.</b>		
-Spray-painting income	-	13,895
-Purchase of raw materials	-	(566)
-Reimbursement of electricity expenses	-	709

Save as disclosed above, there were no other interested persons transactions conducted for the half year ended 30 June 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 outstanding advances to Jiangyin Haida Caitu Co., Ltd. as at 30 June 2017 were RMB19.7 million. (As at 31 Dec 2016: RMB12.0 million.)

**14. Negative assurance confirmation on interim financial results pursuant to Rule 705(5) of the Listing Manual.**

The Board has confirmed that to the best of its knowledge, nothing has come to its attention which may render the interim financial results for the half year ended 30 June 2017 to be false or misleading in any material aspect.

**15. 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**  
**3 August 2017**