

## Financial Statements and Related Announcement::Half Yearly Results

## Issuer &amp; Securities

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

## Announcement Details

<b>Announcement Title</b>	Financial Statements and Related Announcement
<b>Date &amp; Time of Broadcast</b>	02-Aug-2018 17:54:05
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<b>Announcement Reference</b>	SG180802OTHRDWZL
<b>Submitted By (Co./ Ind. Name)</b>	Kenneth Leong
<b>Designation</b>	Company Secretary
<b>Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)</b>	Unaudited Financial Statements and Dividend Announcement for the Half Year Ended 30 June 2018.

## Additional Details

<b>For Financial Period Ended</b>	30/06/2018
<b>Attachments</b>	<a href="#">📄China Haida - Half Year Results_30Jun2018.pdf</a> Total size =193K

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 2018.

**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 from operations</b>	<b>营业亏损</b>
Finance costs	财务费用
<b>Loss before taxation</b>	<b>税前亏损</b>
Taxation	所得税
<b>Loss after taxation</b>	<b>税后亏损</b>
<b>Other comprehensive (loss)/income :</b>	<b>其他亏损/收入 :</b>
Currency translation differences	汇兑损益
<b>Total comprehensive loss attributable to equity holders of the company</b>	<b>股东应承担总亏损</b>

THE GROUP		
1 Jan 18 to 30 Jun 18 HY2018	1 Jan 17 to 30 Jun 17 HY2017	Variance Increase / (Decrease)
RMB'000	RMB'000	%
100,726	103,405	(2.6)%
(98,208)	(95,757)	2.6 %
2,518	7,648	(67.1)%
2.5%	7.4%	(4.9)%
911	981	(7.1)%
(3,294)	(3,400)	(3.1)%
(8,942)	(9,695)	(7.8)%
(8,807)	(4,466)	97.2 %
(521)	(537)	(3.0)%
(9,328)	(5,003)	86.5 %
-	(660)	(100.0)%
(9,328)	(5,663)	64.7 %
(44)	78	(156.4)%
(9,372)	(5,585)	67.8 %

**Explanatory Notes**
**A Loss before taxation**

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

		<b>THE GROUP</b>	
		<b>1 Jan 18 to 30 Jun 18 HY 2018</b>	<b>1 Jan 17 to 30 Jun 17 HY 2017</b>
		<b>RMB '000</b>	<b>RMB '000</b>
	Note		
Other Operating income:	其他收入		
- Interest income on bank deposits	(1) 利息收入	112	132
- Sales of scraps and raw materials	(2) 废料收入	474	610
- Government grant / incentive	(3) 政府津贴	309	239
- Gain on disposal of PPE - net	(4) 处置固定资产的 收益	16	-
		<b>911</b>	<b>981</b>
Foreign exchange loss - net	(5) 外汇亏损	(33)	(513)
Interest expenses	(6) 利息费用	(521)	(537)
Amortisation of lease prepayments	分摊预付土地使用费	(150)	(150)
Depreciation of property, plant and equipment (PPE)	(7) 固定资产折旧费	(2,900)	(3,477)

**Note**

- (1) Interest income for HY2018 was slightly lower than the previous period. The weighted average bank deposit rate for the current period was 0.30% per annum which was slightly lower than the weighted average bank deposit rate for HY2017 of 0.35% per annum.
- (2) Income from sales of scraps and raw materials was lower due to the lower volume of sales for the current period.
- (3) This comprised of the following:
- |  | <b>30 June 2018</b> | <b>30 June 2017</b> |
|--|---------------------|---------------------|
|  | RMB                 | RMB                 |
| - Global expansion incentive grant to our wholly-owned subsidiary, Jiangyin Litai Decorative Materials Co., Ltd. ("Litai") by: |                     |                     |
| PRC government   | 110,000             | -                   |
| Jiangsu Province   | 196,000             | 234,000             |
| - an employment credit incentive given by the Singapore government   | 3,000               | 5,000               |
- (4) The gain on disposal was due to the sales of motor vehicles in HY2018.
- (5) A lower foreign exchange loss was recorded for HY2018 due to the strengthening of the RMB against the USD during the last six months.
- (6) The interest expense was lower for HY2018 which was attributed to the lower weighted average interest rate of 3.99% per annum in HY2018 as compared to the weighted average interest rate of 4.875% per annum for HY2017.
- (7) Lower depreciation was recorded for HY2018 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.

**STATEMENTS OF FINANCIAL POSITION 资产负债表**

(Amounts expressed in thousands of Chinese

Renminbi ("RMB") currency)

	THE GROUP		THE COMPANY	
	As at 30Jun18 RMB'000	As at 31Dec17 RMB'000	As at 30Jun18 RMB'000	As at 31Dec17 RMB'000
	<b>Unaudited</b>	<b>Audited</b>	<b>Unaudited</b>	<b>Audited</b>
<b>Non-current assets</b>				
Property, plant and equipment	47,314	49,870	719	760
Investment in a subsidiary	-	-	114,993	115,194
Lease prepayments	10,516	10,513	-	-
<b>Current assets</b>				
Lease prepayments	150	302	-	-
Inventories	64,229	54,948	-	-
Trade and bills receivables	103,462	119,537	-	-
Other debtors, deposits and prepayments	5,989	3,442	243	117
Advance payments to a related party	3,871	14,211	-	-
Due from a related party (trade)	11,961	2,063	-	-
Cash and bank balances	42,349	52,193	4,191	7,276
<b>Total current assets</b>	<b>232,011</b>	<b>246,696</b>	<b>4,434</b>	<b>7,393</b>
<b>TOTAL ASSETS</b>	<b>289,841</b>	<b>307,079</b>	<b>120,146</b>	<b>123,347</b>
<b>Current liabilities</b>				
Trade payables	17,305	17,664	-	-
Other payables and accruals	6,469	13,976	851	1,023
Due to a subsidiary (non-trade)	-	-	2,275	2,274
Short-term bank loans	22,000	22,000	-	-
	45,774	53,640	3,126	3,297
<b>Non-current liabilities</b>				
Deferred tax liabilities	1,182	1,182	-	-
<b>TOTAL LIABILITIES</b>	<b>46,956</b>	<b>54,822</b>	<b>3,126</b>	<b>3,297</b>
<b>NET ASSETS</b>	<b>242,885</b>	<b>252,257</b>	<b>117,020</b>	<b>120,050</b>
<b>SHAREHOLDERS' EQUITY</b>				
Share capital	140,543	140,543	140,543	140,543
Statutory reserve fund	23,367	23,367	-	-
Capital reserve	47,946	47,946	-	-
Currency translation reserve	(820)	(776)	(3,380)	(3,135)
Revenue reserve/(Accumulated losses)	31,849	41,177	(20,143)	(17,358)
<b>TOTAL EQUITY</b>	<b>242,885</b>	<b>252,257</b>	<b>117,020</b>	<b>120,050</b>

**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 RMB0.3 million for the purchase of machinery and equipment. However, lower fixed assets were recorded in HY2018 due to certain assets which had been fully depreciated during the period under review.
- (2) As at 30 June 2018, the inventory balance was approximately RMB9.3 million higher as compared to the balance at the beginning of the year. The increase was due mainly to inventory of aluminium single panel ("ASP") of approximately RMB6.0 million pending delivery in the second half of 2018, fireproof aluminium composite panel ("ACP") of approximately RMB1.56 million and other aluminium panels for anticipated future orders.
- (3) Trade receivables as at 30 June 2018 was lower as compared to the balance as at 31 December 2017, 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 30.6.2018</b>	<b>As at 31.12.2017</b>
	RMB'000	RMB'000
Trade receivables	113,386	132,728
Less allowance for impairment	<u>(14,634)</u>	<u>(14,634)</u>
	98,752	118,094
Bills receivables	<u>4,710</u>	<u>1,443</u>
Total receivables	<u>103,462</u>	<u>119,537</u>

- (4) As at 30 June 2018, other debtors, deposits and prepayments had increased by approximately RMB2.5 million as compared to the balance as at 31 December 2017. The increase was due mainly to VAT receivables of approximately RMB1.5 million.
- (5) As at 30 June 2018, there was an advance payment to a related party, Jiangyin Haida Caitu Co., Ltd. of approximately RMB3.87 million for the purchase of raw materials. (31 December 2017: RMB14.2 million).
- (6) As at 30 June 2018, there was an outstanding amount of approximately RMB12.0 million owing by 2 related parties (trade), Jiangyin East-China Aluminium Technology Co., Ltd of approximately RMB9.8 million (FY2017: RMB0.5 million) and Jiangyin Comat Metal Products Co., Ltd of approximately RMB2.2 million (FY2017: RMB1.6 million), attributed to the sales of spray-painting services and sales of aluminium panels by Litai respectively. The amount RMB2.2 million owing by Jiangyin Comat Metal Products Co., Ltd had since been repaid in July 2018 whilst the outstanding amount RMB9.8 million owing by Jiangyin East-China Aluminium Technnology Co., Ltd would be repaid in August and September 2018.
- (7) There was a decrease of cash and bank balances of approximately RMB9.8 million as at 30 June 2018. This was due to cash used in operating activities of approximately RMB9.5 million and the purchase of PPE of approximately RMB0.3 million.
- (8) As at 30 June 2018, the short-term bank loan was unchanged at RMB22.0 million. (31 December 2017: RMB22.0 million)

**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 2018</b>	<b>As at 31 Dec 2017</b>
<b>Secured</b>	<b>Secured</b>
<b>RMB '000</b>	<b>RMB '000</b>
22,000	22,000

**Details of any collaterals**

As at 30 June 2018, the bank loans of RMB22.0 million were secured by leasehold building and land use rights with net carrying values of approximately RMB3,081,000 and RMB1,150,000 respectively (net carrying values as at 31 December 2017 were RMB3,390,000 and RMB1,167,000 respectively). In addition, the RMB22.0 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 3.99% (31 December 2017: 3.99% to 4.79%) per annum.

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

**CONSOLIDATED CASH FLOW STATEMENT**

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

**These figures have not been audited.**

**Cash flows from operating activities**

	<b>THE GROUP</b>	
	<b>6 months ended 30 June</b>	
	<b>2018</b>	<b>2017</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Loss before taxation	(9,328)	(5,003)
Adjustments for:		
Amortisation of lease prepayment	150	150
Gain in disposal of PPE	(16)	-
Depreciation of property, plant and equipment	2,900	3,477
Interest expenses	521	537
Interest income	(112)	(132)
Translation difference	(43)	73
Operating loss before working capital changes	<u>(5,928)</u>	<u>(898)</u>
Inventories	(9,281)	(7,504)
Trade and bills receivables	16,075	21,791
Other debtors, deposits and prepayments	(2,547)	(10,765)
Due from a related party	(9,898)	(13,068)
Trade and other payables	(7,866)	(8,555)
Advance payment to a related party	10,340	(7,788)
Cash used in operations	<u>(9,105)</u>	<u>(26,787)</u>
Income tax paid	-	(1,451)
Interest received	112	132
Interest paid	(521)	(537)
Net cash used in operating activities	<u>(9,514)</u>	<u>(28,643)</u>

**Cash flows from investing activities:**

Purchase of property, plant and equipment (PPE)	(365)	(545)
Construction in progress	-	(1,513)
Proceeds from disposal of PPE	35	-
Net cash used in investing activities	<u>(330)</u>	<u>(2,058)</u>

**Cash flows from financing activities:**

Proceeds from short-term bank loans	22,000	22,000
Repayment of short-term bank loans	(22,000)	(22,000)
Deposit Pledged	-	1,849
Net cash from financing activities	<u>-</u>	<u>1,849</u>

**Net decrease in cash and cash balances**

	(9,844)	(28,852)
Cash and bank balances at the beginning of period	52,193	71,674
<b>Cash and cash equivalents at the end of period</b>	<b><u>42,349</u></b>	<b><u>42,822</u></b>

**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.

Attributable to equity holders of the Company

GROUP	Share	Statutory	Capital	Currency	Revenue	Total
	capital	reserve	reserve	translation	reserve	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'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)
<b>Balance as at 30.6.2017</b>	<b>140,543</b>	<b>23,367</b>	<b>47,946</b>	<b>(765)</b>	<b>62,455</b>	<b>273,546</b>
Balance as at 1.1.2018	140,543	23,367	47,946	(776)	41,177	252,257
Total comprehensive loss for the period	-	-	-	(44)	(9,328)	(9,372)
<b>Balance as at 30.6.2018</b>	<b>140,543</b>	<b>23,367</b>	<b>47,946</b>	<b>(820)</b>	<b>31,849</b>	<b>242,885</b>

  

COMPANY	Share	Currency	Accumulated	Total
	capital	translation	losses	
	RMB'000	RMB'000	RMB'000	RMB'000
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
<b>Balance as at 30.6.2017</b>	<b>140,543</b>	<b>(1,865)</b>	<b>(19,839)</b>	<b>118,839</b>
Balance as at 1.1.2018	140,543	(3,135)	(17,358)	120,050
Total comprehensive loss for the period	-	(245)	(2,785)	(3,030)
<b>Balance as at 30.6.2018</b>	<b>140,543</b>	<b>(3,380)</b>	<b>(20,143)</b>	<b>117,020</b>

- 1.(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous 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 2018. 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 2018 and 30 June 2017 respectively. The Company has no outstanding convertibles, no treasury shares and no subsidiary holdings as at 30 June 2018 and 30 June 2017.



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.

	<b>THE COMPANY</b>	
	<b>As at 30 Jun 2018</b>	<b>As at 31 Dec 2017</b>
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 2017 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 2018, 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.

	<b>THE GROUP</b>	
	<b>1 Jan 2018 to 30 Jun 2018</b>	<b>1 Jan 2017 to 30 Jun 2017</b>
Loss after taxation / 净亏损 (RMB '000)	(9,328)	(5,663)
Weighted average number of ordinary shares on issue applicable to earnings / 普通股总计	254,880,660	254,880,660
Loss per ordinary share (RMB cents)/每股亏损 (分) - Basic & Diluted / 基本和稀释	(3.7)	(2.2)



**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.

Net assets (RMB'000) / 净资产

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)

The Group		The Company	
As at 30 Jun 2018	As at 31 Dec 2017	As at 30 Jun 2018	As at 30 Dec 2017
242,885	252,257	117,020	120,050
95.3	99.0	45.9	47.1

Net asset value per ordinary share was calculated based on the 254,880,660 issued ordinary shares excluding treasury shares as at 30 June 2018 and 31 December 2017 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 (HY2018 vs HY2017)**

**(i) Revenue**

Compared to HY2017, the Group's total revenue for HY2018 fell 2.6% or RMB2.7 million, from RMB103.4 million to RMB100.7 million attributed mainly to lower export sales.

Total revenue comprised domestic sales RMB64.7 million or 64.2 % and export sales RMB36.0 million or 35.7 % as compared to RMB51.0 million or 49.3% and RMB52.4 million or 50.7% in HY2017 respectively.

The increase in domestic sales of approximately RMB13.7 million or 26.8%, was attributed primarily to the higher sales of both ASP and ACP, in particular, ASP of approximately RMB16.4 million offset by the lower auxiliary sales of spray-painting services which had declined by approximately RMB5.2 million in HY2018. The demand of ASP for some of the private housing projects during the last six months had contributed to the higher sales of ASP.

Export sales of primarily ACP fell by approximately RMB16.4 million or 31.3%, as a result of the intense competition, economic uncertainty and slowdown in the global markets. The demand of our new fireproof ACP had also been affected by the recent governmental policies and tariff sanctions.

**(ii) Gross Profit**

As a result of the lower sales for HY2018, gross profit decreased by approximately RMB5.1 million or 67.1%, from RMB7.6 million to RMB2.5 million as compared to HY2017. The gross profit margin also fell to 2.5% in HY2018 as compared to 7.4% in HY2017 due to lower sales and no change in fixed overheads as a result of the lower volume of production.

**(iii) Operating Expenses**

Total operating expenses decreased by 6.8% or RMB0.9 million from approximately RMB13.1 million to RMB12.2 million attributed to both lower Sales and distribution expenses and Administrative expenses.

With lower revenue, selling and distribution expenses decreased by approximately RMB0.1 million or 3.1%, from RMB3.4 million to RMB3.3 million. The decrease was attributed mainly to the lower salary expenses and lower cost of shipment.

Administrative expenses decreased by approximately RMB0.8 million or 8.2%, from RMB9.7 million to RMB8.9 million, due mainly to lower staff and related expenses and lower exchange loss.

**(iv) Other Operating Income**

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

**(v) Finance Costs**

The interest expense was lower for HY2018 which was attributed to the lower weighted average interest rate of 3.99% per annum in HY2018 as compared to the weighted average interest rate of 4.875% per annum for HY2017.

**(vi) Income Tax**

As there was a loss from operations, no provision for taxation was made during the HY2018.

**(vii) Net Loss After Taxation**

Due to lower sales and lower gross profit, the Group recorded a net loss of approximately RMB9.3 million as compared to a net loss of approximately RMB5.7 million for HY2017.

**B Consolidated Balance Sheet (30 June 2018 versus 31 December 2017)**

Total current assets decreased by approximately 6.0%, or RMB14.7 million, from RMB246.7 million as at 31 December 2017 to RMB232.0 million as at 30 June 2018. This was primarily due to the following factors:

- i) Increase in inventories approximately RMB9.3 million was attributed to ASP approximately RMB6 million pending delivery in second half of 2018, RMB1.5 million fireproof panels and other ACP panels to meet the anticipated demand of future orders from the customers.
- ii) Increase in other debtors, deposits and prepayments approximately RMB2.5 million attributed mainly to VAT receivables RMB1.5 million.
- iii) Increase in amounts due from a related party (trade) of approximately RMB9.9 million.
- iv) Decrease in advance payments approximately RMB10.3 million to a related party for the purchase of raw materials.
- v) Decrease in trade and bills receivable approximately RMB16.1 million due to lower sales.
- vi) Decrease in cash and bank balances approximately RMB9.8 million attributed to cash used in operating activities RMB9.5 million and purchase of PPE approximately RMB0.3 million.
- vii) Decrease in lease payments RMB0.2 million.

Total current liabilities amounted to RMB45.8 million as at 30 June 2018, representing a decrease of approximately RMB7.9 million or 14.7% as compared to 31 December 2017. This was due mainly to lower trade payables of approximately RMB0.4million and lower other payable and accruals RMB7.5 million.

**C. Consolidated Cash Flow Statement**

Cash and bank balances as at 30 June 2018 was approximately RMB42.3 million, a decrease of approximately RMB9.8 million as compared to the cash and bank balances RMB52.2 million as at 31 December 2017. The reduction was due to a net cash used in operating activities of RMB9.5 million and the cash used in the purchase of PPE approximately RMB0.3 million.

The net cash used in operating activities RMB9.5 million was attributed to an operating loss before working capital changes of RMB5.9 million, net working capital changes of RMB3.2 million and payment of taxes and bank interest of RMB0.4 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 2017 released on 28 February 2018.

**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 continue to affect the demand of our aluminium panels in the domestic and export markets. The intense competition, falling selling prices and coupled with tariff sanctions will continue to pose great challenges to the Group especially in the export markets.

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/recommendeded, a statement to that effect.**

No dividend has been declared / recommended for the half year ended 30 June 2018.

**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 under review (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 half year ended 30 June 2018
	RMB'000	RMB'000
<b>Jiangyin Haida Caitu Co., Ltd.</b>		
-Reimbursement of electricity expenses	-	702
-Advances paid for purchase of raw materials *	-	(57,304)
-Purchase of raw materials	-	(56,412)
-Sales of paint	-	517
<b>Jiangyin East-China Aluminium Technology Co., Ltd.</b>		
-Spray-painting income	-	8,637
-Purchase of raw materials	-	(1,405)
-Sales of paint	-	571
<b>Jiangyin Comat Metal Products Co., Ltd</b>		
-Sales of aluminium single panel	-	462

Save as disclosed above, there were no other interested persons transactions conducted for the half year ended 30 June 2018.

\*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 2018 were approximately RMB3.87 million. (As at 31 Dec 2017: RMB14.2 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 2018 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**  
**2 August 2018**