FUXING CHINA GROUP LIMITED
(Incorporated in Bermuda)
(Co. Reg. No: 38973)

FULL YEAR FINANCIAL STATEMENT ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2012.

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY, HALF-YEAR AND FULL YEAR RESULTS

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group Statement of Comprehensive Income for the year ended 31/12/2012. These figures have not been audited.

	Group			Group		
	3 months Ended 31/12/2012 Unaudited	3 months Ended 31/12/2011 Unaudited	Increase/ (Decrease)	Year Ended 31/12/2012 Unaudited	Year Ended 31/12/2011 Audited	Increase/ (Decrease)
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Continuing operations						
Revenue	160,256	165,915	(3)	568,685	675,408	(16)
Cost of sales	(147,131)	(134,925)	9	(513,987)	(517,902)	(1)
Gross profit	13,125	30,990	(58)	54,698	157,506	(65)
Other income and expenses	(17,365)	(3,813)	355	(13,204)	(2,996)	341
Selling and distribution expenses	(1,806)	(2,065)	(13)	(8,086)	(7,234)	12
General and administrative expenses	(131,685)	(60,923)	116	(195,184)	(109,265)	79
(Loss)/Profit from operating activities	(137,731)	(35,811)	285	(161,776)	38,011	(526)
Finance income	390	348	12	1,350	1,897	(29)
Finance expense	(2,429)	(1,478)	64	(4,838)	(3,120)	55
(Loss)/Profit before tax from continuing operations	(139,770)	(36,941)	278	(165,264)	36,788	NM
Income tax expense	(3,332)	761	NM	(8,012)	(32,668)	(75)
(Loss)/Profit for the period attributable to the equity holders of the Company	(143,102)	(36,180)	296	(173,276)	4,120	NM
Other comprehensive income for the period						
Exchange differences on translating foreign operations	1,115	(164)	NM	1,119	(755)	NM
Total comprehensive (loss) / income for the period attributable to shareholders	(141,987)	(36,344)	291	(172,157)	3,365	NM

Note: The Group's profit before taxation is determined after charging / (crediting) the following items:

(Writeback on allowance for) / Allowance for doubtful trade receivables	(759)	2,565	NM	12,129	7,778	47
Allowance for inventory written down	7,731	-	100	7,731	-	100
Amortisation of land use rights	326	305	(60)	1,210	928	30
Amortisation of intangible assets	6,079	7,750	(22)	18,250	12,641	44
Provision for social security contribution	35,584	-	100	35,584	-	100
Provision for minimum tax contribution	65,000	-	100	65,000	-	100
Impairment of intangible assets	80,000	28,528	180	80,000	28,528	180
Loss on disposal of property, plant and equipment	186	2	NM	186	2	92
Gain from fair valuation of investment property	(46,181)	(4,140)	1,015	(46,181)	(4,140)	NM
Depreciation of property, plant and equipment	9,289	24,974	(63)	40,566	43,134	(6)
Foreign exchange loss/(gain), net	(374)	3,866	NM	(2,047)	9,605	NM
Salaries and bonuses	14,942	21,625	(31)	64,118	62,192	3

NM: Not Meaningful

	Group			Group		
	3 months Ended 31/12/2012 Unaudited	**3 months Ended 31/12/2011 Unaudited**	**Increase/ (Decrease)**	**Year Ended 31/12/2012 Unaudited**	**Year Ended 31/12/2011 Audited**	**Increase/ (Decrease)**
	RMB'000	**RMB'000**	**%**	**RMB'000**	**RMB'000**	**%**
(Loss)/Profit for the period attributable to the equity holders of the Company	(143,102)	(36,180)	296	(173,276)	4,120	NM
Add/(less):Exceptional items						
Provision for social security contribution	35,584	-	100	35,584	-	100
Provision for minimum tax contribution	65,000	-	100	65,000	-	100
Impairment of intangible assets	80,000	28,528	180	80,000	28,528	180
Gain from fair valuation of investment property	(46,181)	(4,140)	1,015	(46,181)	(4,140)	NM
(Loss)/Profit for the period attributable to the equity holders of the Company before exceptional items	(8,699)	(11,792)	(26)	(38,873)	28,508	NM

Note: Exceptional items refer to significant non-cash items that have occurred during the period.

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.

	Group		Company	
	31/12/2012 Unaudited	**31/12/2011 Audited**	**31/12/2012 Unaudited**	**31/12/2011 Audited**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
ASSETS				
Non-current assets				
Property, plant and equipment	359,114	301,169	-	-
Investment property	274,318	60,803	-	-
Land use rights	45,292	46,502	-	-
Intangible assets	193,237	291,487	-	-
Prepayment	3,809	165,824	-	-
Investment in subsidiaries	-	-	344,853	344,853
	875,770	865,785	344,853	344,853
Current assets				
Inventories	56,731	81,996	-	-
Trade and other receivables	184,570	142,294	2	2
Prepayments to suppliers	42,150	11,955	-	-
Amount due from subsidiaries (non-trade)	-	-	474,226	481,382
Fixed deposits	68,873	79,257	-	-
Cash and bank balances	185,325	175,903	994	1,407
	537,649	491,405	475,222	482,791
Total assets	1,413,419	1,357,190	820,075	827,644
EQUITY AND LIABILITIES				
Current liabilities				
Trade payables	14,563	17,554	-	-
Bills payable to banks	110,374	15,369	-	-
Other payables & accruals	157,158	61,960	1,533	1,864
Amount due to director (non-trade)	3,121	5,358	2,040	1,866
Amount due to related companies (non-trade)	-	-	100	-
Short-term bank loans	110,459	65,746	-	-
Bank overdrafts	6,897	8,345	-	-
Income tax payable	4,813	7,132	-	-
Total current liabilities	407,385	181,464	3,673	3,730
Non-current liabilities				
Deferred tax liabilities	55,316	52,851	-	-
	55,316	52,851	-	-
Total liabilities	462,701	234,315	3,673	3,730
Equity attributable to equity holders of the Company				
Share capital	772,574	772,574	772,574	772,574
Treasury shares	(6,408)	(6,408)	(6,408)	(6,408)
Reserve fund	62,544	61,690	-	-
Restructuring reserve	(117,878)	(117,878)	-	-
Contributed surplus	39,573	39,573	39,573	39,573
Translation reserve	(49)	(1,168)	-	-
Accumulated profits	200,362	374,492	10,663	18,175
Total equity	950,718	1,122,875	816,402	823,914
Total equity and liabilities	1,413,419	1,357,190	820,075	827,644

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

Amount repayable in one year or less, or on demand

	As at 31 December 2012		As at 31 December 2011	
	Secured	**Unsecured**	**Secured**	**Unsecured**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Bills payable to banks				
- Industrial and Commercial Bank of China – Hong Kong[1]	15,374	-	15,369	-
- China CITIC Bank[2]	70,000	-	-	-
- China Construction Bank[3]	25,000	-	-	-
Short-term bank loans				
- Shanghai Rural Commercial Bank[3]Bank[4]	12,000	-	13,000	-
- China CITIC Bank[4]Bank[2]	40,000	-	-	-
- [4]				
- Industrial and Commercial Bank of China – Longhu Jinjiang Branch [5]	8,000	-	-	-
- East West Bank[6]	28,459	-	28,456	-
- Industrial and Commercial Bank of China[7]	22,000	-	24,290	-
Bank overdrafts[8]	6,897	-	8,345	-

Notes:

[1] RMB 15.4 million is secured by a charge over investment property owned by Fook Hing Group Trading Co., Ltd., located at 16/F., Tower II, Enterprise Square, No. 9 Sheung Yue Road, Kowloon, bank deposits, rental receipt arising from the mortgaged property and corporate guarantee from Fuxing China Group Limited.

[2] Bills payable RMB 70.0 million and short-term bank loan RMB40.0 million are secured by bank deposits of Jinjiang Fookhing Zipper Co. Ltd., and certain land and buildings owned by Jinjiang Jianxin Weaving Co. Ltd., located at Donghaian Development Zone, Shenhu Town, Jinjiang City, Fujian Province, The PRC. and personal guarantee from related party - Mr. Hong Qing Liang (CEO), and corporate guarantee from related party Jinjiang Fuxing Dress Co. Ltd. and independent third party - Jinjiang Yuanda Garment Weaving Co. Ltd.

[3] RMB 25 million is secured by bank deposits of Jinjiang Fuxing Dress Co. Ltd., and certain land and buildings owned by Fulong Zipper and Weaving CO., Ltd., located at Donghaian Comprehensive Development Zone, Shenhu Town, Jinjiang City, Fujian Province, PRC. and personal guarantee from related party - Mr. Hong Qing Liang (CEO), and Ms Shi MeiMei

[4] RMB 12.0 million is secured by certain buildings owned by Fuxing Textile (Shanghai) Co., Ltd.

[5] RMB 8.0 million is secured by certain land and buildings owned by Jinjiang Fookhing Zipper Co. Ltd., located at Hangbian Industrial Area, Longhu Town, Jinjiang City, Fujian Province, The PRC and personal guarantee from related party - Mr. Hong Qing Liang (CEO), and corporate guarantee from a related party - Jinjiang Fuxing Dress Co. Ltd., and independent third party - Jinjiang Yuanda Garment Weaving Co. Ltd.

[6] This loan is secured by bank deposits of Fook Hing Group Trading Co., Ltd., and personal guarantee from a related party (Hong Li Hong) and independent third party (Sze Kai Lung) and corporate guarantee by Fuxing China Group Limited.

[7] This loan is secured by a charge over investment property owned by Fook Hing Group Trading Co., Ltd., located at 16/F., Tower II, Enterprise Square, No. 9 Sheung Yue Road, Kowloon, rental receipt arising from the mortgaged property and corporate guarantee from Fuxing China Group Limited.

[8] RMB 3.9 million is secured by bank deposits of Fook Hing Group Trading Co., Ltd., and personal guarantee from a related party (Hong Li Hong) and independent third party (Sze Kai Lung) and corporate guarantee from Fuxing China Group Limited.; while RMB 3.0 million is secured by a charge over investment property owned by Fook Hing Group Trading Co., Ltd., located at 16/F., Tower II, Enterprise Square, No. 9 Sheung Yue Road, Kowloon, rental receipt arising from the mortgaged property and corporate guarantee from Fuxing China Group Limited.

[9] None of the above loans contain any covenant regarding controlling shareholder’s interest in Fuxing China Group Limited

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

	3 months Ended 31/12/2012 Unaudited RMB'000	3 months Ended 31/12/2011 Unaudited RMB'000	Year Ended 31/12/2012 Unaudited RMB'000	Year Ended 31/12/2011 Audited RMB'000
OPERATING ACTIVITIES				
(Loss) / Profit before taxation	**(139,770)**	**(36,941)**	**(165,264)**	**36,788**
Adjustments for:				
Depreciation of property, plant and equipment	9,289	24,974	40,566	43,134
Amortisation of land use rights	326	305	1,210	928
Amortisation of intangible assets	6,079	7,750	18,250	12,641
Impairment of intangible assets	80,000	28,528	80,000	28,528
Loss on disposal of property, plant and equipment	186	2	186	2
Gain from fair valuation on investment property	(46,181)	(4,140)	(46,181)	(4,140)
(Writeback on allowance for)/Allowance for doubtful trade receivables	(759)	2,565	12,129	7,778
Inventory written down	7,731	-	7,731	-
Prepayment written down	-	1,504	-	1,504
Provision for social security contribution	35,584	-	35,584	-
Provision for minimum tax contribution expense	65,000	-	65,000	-
Interest expense	2,429	1,478	4,838	3,120
Interest income	(390)	(348)	(1,350)	(1,897)
Foreign currency gain	1,376	(296)	1,308	(1,159)
Total adjustments	160,670	62,322	219,271	90,439
Operating cash flows before changes in working capital	**20,900**	**25,381**	**54,007**	**127,227**
(Increase) Decrease in:				
Inventories	14,109	14,674	17,534	(20,857)
Trade receivables	(12,087)	10,199	(54,037)	78,488
Bills and other receivable	(368)	47,678	(368)	46,927
Prepayment	(4,616)	(53,737)	(29,081)	206,965
Increase (Decrease) in:				
Trade payables	(2,505)	4,454	(2,991)	3,381
Other payables & accruals	(11,511)	3,075	(5,386)	(44,880)
Bills payable	29,779	4,952	95,005	4,952
Due to directors	2,839	(107,198)	(2,237)	3,396
Total changes in working capital	15,640	(75,903)	18,439	278,372
Cash flows generated from / (used in) operations	**36,540**	**(50,522)**	**72,446**	**405,599**
Interest expense paid	(2,429)	(1,478)	(4,838)	(3,120)
Interest income received	390	348	1,350	1,897
Income tax paid	(3,624)	(8,222)	(7,866)	(37,178)
Net cash generated from / (used in) operating activities	**30,877**	**(59,874)**	**61,092**	**367,198**
INVESTING ACTIVITIES				
Purchase of property, plant and equipment	(4,309)	(4,864)	(98,697)	(46,326)
Construction of investment properties	(1,786)	(45)	(6,607)	(160,700)
Purchase of intangible assets	-	-	-	(45)
Acquisition of subsidiaries, net of cash acquired	-	-	-	(370,199)
Net cash used in investing activities	**(6,095)**	**(4,909)**	**(105,304)**	**(577,270)**
FINANCING ACTIVITIES				
Proceeds from short-term borrowings	15,000	13,000	67,000	13,000
Repayments of short-term borrowings	(7,572)	(14,290)	(22,302)	(15,310)
Dividend paid	-	-	-	(25,677)
Decrease in fixed deposits pledged to banks	(12,947)	97	(46,214)	984
Net cash generated used in financing activities	**(5,519)**	**(1,193)**	**(1,516)**	**(27,003)**
NET INCREASE / DECREASE IN CASH & CASH EQUIVALENTS	19,263	(65,976)	(45,728)	(237,075)
CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD / YEAR	159,165	290,132	224,156	461,231
CASH & CASH EQUIVALENTS AT END OF PERIOD/YEAR (Note A)	178,428	224,156	178,428	224,156

Note A:

Cash and cash equivalents included in the consolidated statement of cash flows comprise the following:

	3 months Ended 31/12/2012 Unaudited RMB'000	3 months Ended 31/12/2011 Unaudited RMB'000	Year Ended 31/12/2012 Unaudited RMB'000	Year Ended 31/12/2011 Audited RMB'000
Fixed deposits	68,873	79,257	68,873	79,257
Cash and bank balances	185,325	175,903	185,325	175,903
	254,198	255,160	254,198	255,160
Less: Bank overdraft	(6,897)	(8,345)	(6,897)	(8,345)
Fixed deposits (pledged)	(68,873)	(22,659)	(68,873)	(22,659)
Cash and cash equivalents	178,428	224,156	178,428	224,156

Fixed deposits amounting to RMB 68,873,000 (2011: 22,659,000) are pledged to banks for the Group's bills payable to banks and bank overdrafts respectively.

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.

	Share capital	Treasury shares	Reserve fund	Contributed surplus	Restructuring reserve[1]	Translation reserve	Accumulated profits / (losses)	Total equity
Group	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
At 1 January 2011	772,574	(6,408)	52,002	39,573	(117,878)	(413)	405,737	1,145,187
Total comprehensive income for the year	-	-	-	-	-	(755)	4,120	3,365
Transferred to reserve fund			9,688				(9,688)	-
Dividend paid	-	-	-	-	-	-	(25,677)	(25,677)
Closing balance at 31 December 2011	772,574	(6,408)	61,690	39,573	(117,878)	(1,168)	374,492	1,122,875
At 1 January 2012	772,574	(6,408)	61,690	39,573	(117,878)	(1,168)	374,492	1,122,875
Total comprehensive loss for the year	-	-	-	-	-	1,119	(173,276)	(172,157)
Transferred to reserve fund	-	-	854	-	-	-	(854)	-
Closing balance at 31 December 2012	772,574	(6,408)	62,544	39,573	(117,878)	(49)	200,362	950,718
Company								
At 1 January 2011	772,574	(6,408)	-	39,573	-	-	61,445	867,184
Total comprehensive loss for the year	-	-	-	-	-	-	(17,593)	(17,593)
Dividend paid	-	-	-	-	-	-	(25,677)	(25,677)
Closing balance at 31 December 2011	772,574	(6,408)	-	39,573	-	-	18,175	823,914
At 1 January 2012	772,574	(6,408)	-	39,573	-	-	18,175	823,914
Total comprehensive loss for the year	-	-	-	-	-	-	(7,512)	(7,512)
Closing balance at 31 December 2012	772,574	(6,408)	-	39,573	-	-	10,663	816,402

Group	**Share capital** RMB'000	**Treasury shares** RMB'000	**Reserve fund** RMB'000	**Contributed surplus** RMB'000	**Restructuring reserve**[1] RMB'000	**Translation reserve** RMB'000	**Accumulated profits / (losses)** RMB'000	**Total equity** RMB'000
At 1 October 2011	772,574	(6,408)	52,002	39,573	(117,878)	(1,004)	420,360	1,159,219
Total comprehensive loss for the period	-	-	-	-	-	(164)	(36,180)	(36,344)
Transferred to reserve fund	-	-	9,688	-	-	-	(9,688)	-
Closing balance at 31 December 2011	772,574	(6,408)	61,690	39,573	(117,878)	(1,168)	374,492	1,122,875
At 1 October 2012	772,574	(6,408)	61,690	39,573	(117,878)	(1,164)	344,318	1,092,705
Total comprehensive loss for the period	-	-	-	-	-	1,115	(143,102)	(141,987)
Transferred to reserve fund	-		854	-	-	-	(854)	-
Closing balance at 31 December 2012	772,574	(6,408)	62,544	39,573	(117,878)	(49)	200,362	950,718
Company								
At 1 October 2011	772,574	(6,408)	-	39,573	-	-	24,162	829,901
Total comprehensive loss for the period	-	-	-	-	-	-	(5,987)	(5,987)
Dividend paid	-	-	-	-	-	-	-	-
Closing balance at 31 December 2011	772,574	(6,408)	-	39,573	-	-	18,175	823,914
At 1 October 2012	772,574	(6,408)	-	39,573	-	-	13,722	819,461
Total comprehensive loss for the period	-	-	-	-	-	-	(3,059)	(3,059)
Closing balance at 31 December 2012	772,574	(6,408)	-	39,573	-	-	10,663	816,402

Note:

[1] **Restructuring reserve:**
This represents the difference between the nominal value of shares issued by the Company in exchange for the nominal value of shares and capital reserve of subsidiaries acquired which is accounted for under "merger accounting".

[2] **Equity reserve:**
This reserve represents the value of the unexercised equity component of convertible notes issued by the Group in 2009.

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.

Share Buy-back

During the period ended 31 December 2012, there was no share acquired. There were a total of 13,886,000 treasury shares acquired in FY2009 and FY2010.

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 immediate preceding year.

	31 December 2012	31 December 2011
Total number of issued shares excluding treasury shares	860,272,000	860,272,000

There were a total of 13,886,000 treasury shares as 31 December 2012.

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.

	Treasury shares
Total number of shares as at 1 January 2012	13,886,000
Purchases of shares during the year	-
Total number of shares as at 31 December 2012	13,886,000

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2012.

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

The figures have not been audited or 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 same accounting policies and methods of computation adopted in the most recently audited financial statements for the financial year ended 31 December 2011 have been applied in the preparation for the financial statements for the year ended 31 December 2012.

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 adoption of the new and revised FRS and INT FRS does not have any material financial impact on the Group's and Company's financial statements for the current year.

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.

Earnings per ordinary share of the group, after deducting any provision for preference dividends (in cents):	Group		Group	
	3 months ended 31/12/2012	**3 months ended 31/12/2011**	**Year ended 31/12/2012**	**Year ended 31/12/2011**
(a) Basic and	(16.6)	(4.2)	(20.1)	0.5
(b) On a fully diluted basis	(16.6)	(4.2)	(20.1)	0.5

Note: Basic earnings per share is computed based on weighted average number of shares in issue in 2012:860,272,000 ordinary shares (2011:860,272,000).

For the financial year ended 31 December 2011 and 2012, the basic and diluted earnings per share of the Group are the same as there were no potential diluting ordinary shares outstanding as at 31 December 2011 and 2012.

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.

	Group		Company	
	31/12/2012	**31/12/2011**	**31/12/2012**	**31/12/2011**
Net asset value per ordinary share based on issued share capital at the end of the period/year (in RMB): (Number of ordinary shares in issue as at 31/12/2012: 860,272,000 (31/12/2011: 860,272,000)	1.11	1.31	0.95	0.96

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.

	Group			Group		
	3 months Ended 31/12/2012 Unaudited	**3 months Ended 31/12/2011 Unaudited**	**Increase/ (Decrease)**	**Year Ended 31/12/2012 Unaudited**	**Year Ended 31/12/2011 Audited**	**Increase/ (Decrease)**
REVENUE	**RMB'000**	**RMB'000**	**%**	**RMB'000**	**RMB'000**	**%**
Zipper Chain	97,013	89,698	8	354,110	395,905	(11)
Zipper Slider	18,000	32,198	(44)	86,536	137,856	(37)
Trading	28,272	20,595	37	66,885	89,946	(26)
Processing	21,649	29,054	(25)	80,344	64,040	25
Inter-segment sales	(4,678)	(5,630)	(17)	(19,190)	(12,339)	56
Total Group Revenue	160,256	165,915	(3)	568,685	675,408	(16)
COST OF SALES						
Zipper Chain	88,217	68,946	28	322,442	297,877	8
Zipper Slider	15,923	23,829	(33)	76,200	97,754	(22)
Trading	27,073	19,813	37	63,832	87,451	(27)
Processing	20,596	27,967	(26)	70,703	47,159	50
Inter-segment sales	(4,678)	(5,630)	(17)	(19,190)	(12,339)	56
Total Group Cost of Sales	147,131	134,925	9	513,987	517,902	(1)
GROSS PROFIT/(LOSS)						
Zipper Chain	8,796	20,752	(58)	31,668	98,028	(68)
Zipper Slider	2,077	8,369	(75)	10,336	40,102	(74)
Trading	1,199	782	53	3,053	2,495	22
Processing	1,053	1,087	(3)	9,641	16,881	(43)
Total Gross Profit	13,125	30,990	(58)	54,698	157,506	(65)
GROSS PROFIT/(LOSS) MARGIN						
	%	**%**	**% pts**	**%**	**%**	**%pts**
Zipper Chain	9.1	23.1	(14.0)	8.9	24.8	(15.9)
Zipper Slider	11.5	26.0	(14.5)	11.9	29.1	(17.2)
Trading	4.2	3.8	0.4	4.6	2.8	1.8
Processing	4.9	3.7	1.1	12.0	26.4	(14.4)
Average Gross Profit Margin	8.2	18.7	(10.5)	9.6	23.3	(13.7)
Zipper Segment Gross Profit Margin	9.5	23.9	(14.4)	9.5	25.9	(16.4)

NM: Not Meaningful

FY2012 vs. FY2011

Revenue
The Group's revenue decreased by RMB 106.7 million (or 16%) to RMB 568.7 million. The decrease in revenue was due mainly to the decrease in the sales of the Zipper Chain (RMB 41.8 million), the Zipper Slider (RMB 51.3 million) (collectively referred as the "Zippers segment") and the Trading segment (RMB 23.1 million). This was partially offset by the increase in revenue contributions from the newly acquired processing operations namely Fulong Zipper and Weaving Co., Ltd, Jinjiang ("Fulong"), Jinjiang Jianxin Weaving Co., Ltd ("Jianxin") and Jinjiang Fuxin Electroplating Co., Ltd ("Fuxin") (totaling RMB 16.3 million) (collectively referred as the 'Processing segment").

The inter-segment sales elimination represented the dyeing and electroplating services provided by the Processing segment to the Zippers segment.

The decrease in revenue from the Zipper segment was attributable to a deteriorating market for the zipper industry in the PRC which was adversely affected by the general slowdown in the global economy. This had led to the Group reducing its selling prices to retain customers' orders.

The Group's trading segment relates to the sourcing and buying of certain raw materials as per customers' requirements. The spread of profit margin and all purchases are based on confirmed sales, i.e. the Group does not hold any inventories. As such, the volume of trading depends on the opportunities available so as the profitability and price movements which are dependent on customers' demand for raw materials. The decrease in revenue from the Trading segment was due to a decrease in sales orders from customers during FY2012.

Gross Profit and Gross Profit Margin
The Group's gross profit decreased by RMB 102.8 million (or 65%) to RMB 54.7 million. The decrease in gross profit was attributable to the reduction in selling prices to retain customers' orders. Costs of production however remained at the same level as FY2011.

Average gross profit margin decreased by 13.7 percentage points to 9.6% due to the decrease in gross profit margin from the Zipper segment and Processing segment in FY2012. This was attributable to the same reasons explained above.

Other income and other expenses
Other income comprises foreign exchange gain, gain from fair valuation of investment property, reimbursement income for cancellation of disposal of investment properties, and rental income while other expenses consist mainly of provision for minimum tax contribution expense and compensation for cancellation of disposal of investment properties. The net expenses increase was due mainly to the provision for minimum tax contribution expense (RMB 65.0 million) while it was offset by increase in gain from fair valuation of investment property (RMB 46.2 million) as well as the foreign exchange gain as a result of the depreciation of RMB against foreign currencies, eg., USD in December 2012.

Provision for minimum tax contribution expenses represented the unavoidable costs in operating of business in Xiamen Island. Under FRS 37 "Provisions, Contingent Liabilities and Contingent Assets" – Onerous contracts and pursuant to the contract signed with the PRC government in relation to the acquisition of the parcel of commercial land in Xiamen Island, the Group is required to pay tax (including valued-add tax, sales tax, and income tax) not less than RMB 10 million in the first 2 years and RMB 15 million in the coming 7 years following the registration of a subsidiary, Xiamen Fuxing Industrial Co. Ltd., in the PRC to hold the said land use right.

Due to the delayed approval of the building and construction permit from the Xiamen's local authorities, the construction of Xiamen headquarter commenced in the late 4Q2012. Income are projected to be generated from the investment properties in FY2016. As such, the Group make a provision for minimum tax contribution expenses representing "unavoidable costs" for 5 years starting from 2011 to 2015, totalling RMB 65 million under FRS37 – Para. 66.

As disclosed in the Company's announcement on 15 September 2012, 1 October 2012 and 4 October 2012, the Company was obliged to pay compensation of HK$4 million as a mutually agreed settlement amount between the Company and Purchasers, in view of the impasse in negotiations and the fact that both parties were not able to agree upon a mutually acceptable and satisfactory resolution of the legal requisitions or inquiries. However, Mr Hong Qing Liang (CEO) had remitted funds out of his personal bank account to directly settle the full amount of the HK$4 million compensation and had promised waiving the reimbursement from the Company. As such, the HK$4 million of compensation expenses and waiver of compensation has been recorded separately in other expenses and other income in compliance with FRS1 – Presentation of financial statement.

Selling and distribution expenses
Selling and distribution expenses increased by RMB 0.9 million (or 12%) to RMB 8.1 million due to higher delivery costs as well as increase in marketing and advertising expenses for promotion of the Group's 3F brands of zippers.

General and administrative expenses
General and administrative expenses increased by RMB 85.9 million to RMB 195.2 million, mainly consists of amortization of intangible assets (RMB 18.2 million), allowance for doubtful debts (RMB 11.4 million), impairment of intangible assets (RMB 80.0 million), Provision for social security contribution (RMB 35.6 million), write down of inventory (RMB 7.7 million), salaries (RMB 12.7 million), depreciation of property, plant and equipments (RMB 9.2 million) and others including insurance, property tax, stamp duty, etc.

The increase in amortization of intangible assets in FY2012 was mainly due to a full year amortization made in FY2012 compared to a few months' amortization in FY2011 arising from the acquisition of the processing subsidiaries in the second half of FY2011. The intangible assets mainly consist of customer base and operating licenses of the 3 subsidiaries which were also acquired by the Group as well as the super durable patents. The amortization periods for the customer base, operating license and super durable patents are 9 years, 21 years and 7 years respectively.

The increase in allowance for doubtful debts was due mainly to the requests from some customers for a longer credit period. These customers are not the Group's major customers.

Impairment of intangible assets represented impairment of goodwill on consolidation attributable to the Processing segment (RMB 80.0 million). The impairment was made due to the decrease in projected revenue and profits in the next five years used in the discounted cashflow as a result of the weak market demand which reduces their recoverable amount (using discounted cash flows) determined using profit forecasts and cash flow projections.

Provision for social security contribution for FY2012 included underprovision of social security contribution in FY2011. The Group have made detailed computation of the provision required for social security contribution for FY2011 and FY2012 to ensure full compliance with the prevailing PRC rules and regulations.

The write down of inventory represented write down as a result of the net realizable value is lower than cost when compared with recent market price.

Finance income and expenses
Finance expenses increased by RMB 1.7 million (or 55%) to RMB 4.8 million. This was attributable to the increase in bank overdrafts, bills payable and short-term loans compared to the previous year. Finance income decreased by RMB 0.5 million to RMB 1.4 million due mainly to a decrease in fixed deposits in FY 2012.

Tax expense

	Group		
	Year Ended 31/12/2012 Unaudited	**Year Ended 31/12/2011 Audited**	**Increase/ (Decrease)**
	RMB'000	**RMB'000**	**%**
Current tax[1]	4,540	28,856	(84)
Deferred tax[2]	7,657	4,844	58
Deferred tax[3]	(4,185)	(1,032)	306
Tax expense	8,012	32,668	(75)

NM: Not Meaningful

Notes

[1] Current tax decreased by RMB 24.3 million or 84% due to a decrease in taxable profit before taxation in FY2012.

[2] On 22 February 2008, the State Administration of Taxation of China issued a circular Caishui 2008 No.001, which states that distribution of dividends from profits accumulated from 1 January 2008, shall be subject to withholding tax on distribution to foreign investors. Accordingly, the Group has provided for deferred tax liabilities on the Group's profit-making PRC subsidiaries' net profit attained from 1 January 2008 onwards. As Jade Star (the PRC's subsidiaries' immediate holding Company) is incorporated in the British Virgin Islands, the applicable withholding tax rate is 10%.

[3] Deferred tax arising from temporary differences in fair value of investment property and depreciation of property, plant and equipment.

4Q2012 vs. 4Q2011 (3 months)

Revenue

The Group's revenue decreased by RMB 5.7 million (or 3%) to RMB 160.3 million. The decrease in revenue was due mainly to the decrease in the sales of the Zipper Slider segment of RMB 14.2 million and the decrease in the sales of the Processing segment of RMB7.4 million. This was partially offset by the increase in revenue contributions from the Zipper Chain segment of RMB 7.3 million and the Trading segment of RMB 7.7 million.

The inter-segment sales elimination represented the dyeing and electroplating services provided by the Processing segment to the Zippers segment.

The decrease in revenue from the Zipper slider segment and Processing segment in 4Q2012 was attributable to a deteriorating market for the zipper industry in the PRC which was adversely affected by the general slowdown in the global economy. This had led to the Group reducing its selling prices to retain customers' orders.

The increase in revenue from Zipper Chain segment was attributable to the increase in quantity sold to both local customers and oversea customers as a result of lower profit margin.

The increase in revenue from the Trading segment was due to a increase in sales orders during 4Q2012.

Gross Profit and Gross Profit Margin

The Group's gross profit decreased by RMB 17.9 million (or 58%) to RMB 13.1 million. The decrease in gross profit was attributable to the reduction in selling prices to increase customers' orders, the production capacity increased by 22 percentage points from 76% in 3Q2012 to 98% in 4Q2012.

Average gross profit margin decreased by 10.5 percentage points to 8.2% due to the decrease in gross profit margin from the Zipper segment in 4Q2012. This was attributable to the same reasons as explained above.

Other income and other expenses
Other income comprises foreign exchange gain, gain from fair valuation of investment property, reimbursement income for cancellation of disposal of investment properties, and rental income while other expenses consist mainly of provision for minimum tax contribution expenses and compensation for cancellation of disposal of investment properties. The net expenses increase was due mainly to the provision for minimum tax contribution expenses (RMB 65.0 million) while it was offset by increase in gain from fair valuation of investment property (RMB 46.2 million) as well as the foreign exchange gain as a result of the depreciation of RMB against foreign currencies, eg., USD in December 2012.

Please refer page 13 for the explanation for compensation for cancellation of disposal of investment properties and also the wavier income for cancellation of disposal of investment properties.

The Group make a provision for minimum tax contribution for this unavoidable costs for 5 years starting from 2011 to 2015, total amount RMB 65 million under FRS37 – Para. 66. This was attributable to the same reasons as explained in page 13.

Selling and distribution expenses
Selling and distribution expenses decreased by RMB 0.3 million (or 13%) to RMB 1.8 million due to decrease in marketing and advertising expenses for promotion resulting from cost saving.

General and administrative expenses
General and administrative expenses increased by RMB 70.8 million (or 116%) to RMB 131.7 million. This was attributable to increase in impairment of intangible assets of RMB 51.5 million in 4Q2012 compared to 4Q2011, the increase in write down of inventory amounted RMB 6.6 million and also the provision for social security contribution amounted RMB 35.6 million.

The significant decrease in depreciation of property, plant and equipment was due mainly to the recalculation of depreciation, which represented the change of 10% residual value to no residual revalue, for the 3 newly acquired subsidiaries in 4Q2011 which affect the charges increase in 4Q2011.

Finance income and expenses
Finance expenses increased by RMB 1.0 million (or 64%) to RMB 2.4 million. This was attributable to the increase in bank overdrafts, bills payable and short-term loans compared to the previous corresponding period. Finance income slightly increased by RMB 0.1 million to RMB 0.4 million due mainly to a cash and bank balance remained at the same level in 4Q2012.

Tax expense

	Group		
	3 months Ended 31/12/2012 Unaudited	**3 months Ended 31/12/2011 Unaudited**	**Increase/ (Decrease)**
	RMB'000	**RMB'000**	**%**
Current tax[1]	616	3,112	(80)
Deferred tax[2]	6,901	(2,841)	NM
Deferred tax[3]	(4,185)	(1,032)	106
Tax (reversal) / expense	3,332	(761)	NM

NM: Not Meaningful

Notes
[1] Current tax decreased by RMB 2.5 million or 80% due to a decrease in taxable profit before taxation in 4Q2012.

[2] On 22 February 2008, the State Administration of Taxation of China issued a circular Caishui 2008 No.001, which states that distribution of dividends from profits accumulated from 1 January 2008, shall be subject to withholding tax on distribution to foreign investors. Accordingly, the Group has provided for deferred tax liabilities on the Group's profit-making PRC subsidiaries' net profit attained from 1 January 2008 onwards. As Jade Star (the PRC's subsidiaries' immediate holding Company) is incorporated in the British Virgin Islands, the applicable withholding tax rate is 10%.

[3] Deferred tax arising from temporary differences in fair value of investment property and depreciation of property, plant and equipment.

FINANCIAL POSITION
Non-current assets
As at 31 December 2012, non-current assets amounted to RMB 875.8 million comprising property, plant and equipment, investment property, land use rights, prepayment and intangible assets.

The Group's property, plant and equipment increased by RMB 57.9 million or 19% from RMB 301.2 million to RMB 359.1 million due mainly to purchases of plant and machineries for replacement of old plant and machineries and expansion of zipper production areas and staff dormitory in Jinjiang factory amounting to RMB 98.5 million in FY2012.

The significant increase in investment properties due mainly to the recognition of Xiamen head quarter (HQ) projects as investment properties under FRS40 - "Investment property is property held to earn rentals or for capital appreciation or both." According to the construction plan, the HQ projects will have 25 floors, and most of the properties will be leased out to earn rental income. Therefore, this properties including the land use right should be classified as investment properties under FRS40.

The intangible assets decreased by RMB 98.3 million or 33% from RMB 291.5 million to RMB 193.2 million due to amortization of intangible assets and impairment of goodwill arising from the acquisition of Processing segment in FY 2012 amounting to RMB 80.0 million. The impairments were made due to the decrease in projected revenue and profits in the next five years as a result of the weak market demand which reduces their recoverable amount (using discounted cash flows) determined using profit forecasts and cash flow projections.

The prepayment balance in FY2012 represented the deposits paid for purchases of machinery whereas in FY2011, the prepayment balance of RMB 165.8 million represented mainly the acquisition price of a parcel of land in Xiamen Island for the Group's future administrative headquarters (RMB 160.7 million) as well as deposits paid for purchases of machinery.

Current assets
Current assets increased by RMB 46.2 million or 9% in FY2012. This was due largely to a increase in trade receivables, prepayment to suppliers, bills and other receivables, cash and bank balances which were offset by the decrease in inventories and fixed deposits.

Inventories decreased by RMB 25.3 million to RMB 56.7 million from RMB 82.0 million due to a write down of inventory and increase in quantities sold as a result of the decline in selling price in 4Q2012.

Trade receivables increased by RMB 42.2 million from RMB 142.3 million to RMB 184.5 million due to extension of credit period with some old customers so as to retain their orders.

The increase in prepayments to suppliers was due mainly to the increase in advances made to certain suppliers. The Group made advance payments to these suppliers to secure ready supply of raw materials at competitive prices. It is a usual practice of the Group to make advance payments to suppliers at the beginning of the year to enable the Group to secure the price and supply of raw materials for the whole year. This would enable the Group to enjoy cost savings in the event of raw material price fluctuations.

Fixed deposits, cash and bank balances slightly declined from RMB 255.2 million to RMB 254.2 million due mainly to the payment for completion of production area expansion and advance payment to suppliers which offset by increase in short-term bank loans and increase in usage of bills payables in FY2012.

Current liabilities
Current liabilities increased by RMB 225.9 million or 125% in FY2012. This was mainly attributable to the increase in bills payable to banks, other payables and accruals, short-term bank loans, which was offset by the decrease in trade payables, bank overdraft, amounts due to director and income tax payables.

Trade payables decreased by RMB 3.0 million due mainly to the increase in usage of bills payable in FY2012.

The bills payable to banks increased by RMB 95.0 million due mainly to the subsidiaries successfully obtaining several banking facilities from different banks in order to maintain a better financial position, please refer to page 4 for further information.

The other payables and accruals increased by RMB 95.2 million to RMB 157.2 million was due mainly to the provision of social security contribution amounted RMB 35.6 million, provision for minimum tax contribution amounted RMB 65 million.

Short-term bank loans increased due as the Group obtained a new short-term banking facilities in order to maintain a better financial position, please refer to page 4 for further information.

The decrease in the amount due to a director from RMB5.3 million as at 31 December 2011 to RMB3.1 million as at 31 December 2012 was due mainly to the repayment made in FY2012.

CASH FLOW

Operating activities
Net cash flows generated from operating activities in FY2012 amounted to RMB 61.1 million compared to RMB 367.2 million in FY2011. The decrease in net cash flows generated in FY2012 were due mainly to the significant operational profit flows in the previous year, increase in trade and other receivables and increase usage of bills payables in FY2012.

Net cash flows generated from operating activities in 4Q2012 amounted to RMB 30.9 million and used in 4Q2011 amounted to RMB 59.9 million. This was due mainly to the increase in usage of bills payables in 4Q2012.

Investing activities
Net cash flows used in investing activities in FY2012 amounted to RMB 105.1 million compared to RMB 577.3 million in FY2011, was due primarily to the acquisition of land use right for the HQ projects and the acquisition of the 3 subsidiaries – Fulong, Jianxin and Fuxin in FY2011.

Financing activities
Net cash flows used in financing activities in FY2012 amounted to RMB 1.5 million compared to RMB 27.0 million in FY2011, as a result of dividend payment to shareholders in FY2011. The net cash flows used in financing activities in 4Q2012 amounted to RMB 5.5 million compared to RMB 1.2 million in 4Q2011, as a result of increase in pledged fixed deposits.

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

Under paragraph 10 of the Company's 3Q2012 results announcement dated 12 November 2012, the Company had disclosed that slowing down of economic growth in the PRC, uncertainties for export sales, as well as potential cost pressures arising from rising production and labour costs, the Group expected the zipper industry to remain highly challenging and competitive and did not expect the business environment to improve considerably for the rest of 2012.

The performance for 4Q2012 and FY2012 is line with the the Company's commentary in paragraph 10 of the results announcement dated 12 November 2012.

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.

For the year ended 2012, the Group continued to operate under a highly competitive and challenging environment as the zipper industry in the PRC faces intense competition with lower profit margin. Arising from the challenging and competitive business environment, the Group faced a significant reduction in sales arising from shrinkage in demand for zippers as most of the Group's customers still hold high level of inventories in their warehouses. The average utilization rates of the Group's production facilities in FY2012 for zipper chains and zipper sliders were approximately 79% and 38% respectively.

The Group expects the zipper industry to remain highly challenging and competitive and does not expect the business environment to improve considerably for the next twelve months. The Group expects the slowing economic growth in the PRC, uncertainties for export sales, as well as potential cost pressures arising from rising production costs and labour costs to affect its operating outlook for the next twelve months.

The Group will strive to enhance its operational efficiency of its plants through automation of its production processes, so as to mitigate the impact of weak demand to the Group's gross profit margins. The Group will also continue to exercise tight control on the administrative expenses and strive to lower its production unit cost and inventory holding cost.

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.

Not Applicable.

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.

The Company is not required to have a general mandate from shareholders for IPTs.

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 business or geographical 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.

Group 31 December 2012	**Zipper Chain RMB'000**	**Zipper Slider RMB'000**	**Trading RMB'000**	**Processing RMB'000**	**Corporate RMB'000**	**Elimination RMB'000**	**Total RMB'000**
Revenue:							
Sales to external customers	354,110	86,536	66,885	61,154	-	-	568,685
Inter-segment sales	13,854	12,093	-	19,190	-	(45,137)	-
Total revenue	367,964	98,629	66,885	80,344		(45,137)	568,685
Results:							
Segment gross profit	31,668	10,336	3,053	9,641	-	-	54,698
Segment results	(32,754)	(8,616)	22,325	(99,710)	(43,021)	-	(161,776)
Finance income	538	68	154	26	564	-	1,350
Finance expense	(2,327)	-	(2,511)	-	-	-	(4,838)
Loss before tax							(165,264)
Tax expenses							(8,012)
Net loss attributable to shareholders							(173,276)
Other segment information							
Fair value gains on investment properties	-	-	18,648	-	27,533	-	46,181
Depreciation and amortization	28,972	5,846	4	25,204	-	-	60,026
Inventory written down	6,561	1,170	-	-	-	-	7,731
Provision for social security contribution	17,737	9,013	-	8,834	-	-	35,584
Provision for minimum tax contribution	-	-	-	-	65,000	-	65,000
Impairment of intangible assets	-	-	-	80,000	-	-	80,000
Loss on disposal	138	-	-	48	-	-	186
Total assets	641,509	88,716	130,693	343,233	209,268		1,413,419
Capital expenditure for property, plant and equipmet	72,293	11,479	-	14,925	-	-	98,697
Total liabilities	(212,701)	(56,776)	(73,432)	(66,324)	(53,468)		(462,701)

Group 31 December 2011	**Zipper Chain RMB'000**	**Zipper Slider RMB'000**	**Trading RMB'000**	**Processing RMB'000**	**Corporate RMB'000**	**Elimination RMB'000**	**Total RMB'000**
Revenue:							
Sales to external customers	395,905	137,856	89,946	51,701	-	-	675,408
Inter-segment sales	9,084	18,543	-	12,339	-	(39,966)	-
Total revenue	404,989	156,399	89,946	64,040	-	(39,966)	675,408
Results:							
Segment gross profit	106,065	44,404	2,495	4,542	-	-	157,506
Segment results	51,053	32,964	7,211	(14,170)	(39,047)	-	38,011
Finance income	1,003	533	136	12	213	-	1,897
Finance expense	(813)	-	(2,298)	-	(9)	-	(3,120)
Profit before tax							36,788
Tax expenses							(32,668)

Net profit attributable to shareholders							4,120
Other segment information							
Fair value gains on investment properties	-	-	4,140	-	-	-	4,140
Depreciation and amortization	32,345	10,123	4	14,231	-	-	56,703
Total assets	524,325	77,561	106,665	429,598	219,041	-	1,357,190
Capital expenditure for property, plant and equipmet	22,170	1,314	7	26,760	-	-	50,251
Additions to land use rights	-	-	-	24,785	-	-	24,785
Additions to intangible assets	45	-	-	266,667	-	-	266,712
Total liabilities	(70,146)	(24,115)	(81,049)	(51,783)	(7,222)	-	(234,315)

Note: Segment assets and liabilities are not disclosed as they are not regularly provided to the chief operating decision maker.

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	Revenue		**Non-current assets**	
	2012	**2011**	**2012**	**2011**
	RMB'000	RMB'000	RMB'000	RMB'000
People's Republic of China	501,800	585,462	796,306	804,972
Hong Kong	66,885	89,946	79,464	60,813
	568,685	675,408	875,770	865,785

Non-current assets information presented above consist of property, plant and equipment, investment property, land use rights, intangible assets and prepayments as presented in the consolidated balance sheet.

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

Please refer to paragraph 8.

16. A breakdown of sales.

	Group		
	FY2012	**FY2011**	**Increase/ (decrease)**
	RMB'000	**RMB'000**	**%**
(a) Sales reported for first half year	256,188	345,854	(26)
(b) Operating profit/(loss) after tax before deducting minority interests reported for first half year	(16,785)	40,255	NM
(c) Sales reported for second half year	312,497	329,554	(5)
(d) Operating loss after tax before deducting minority interests reported for second half year	(156,491)	(36,135)	333

NM: Not Meaningful

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

	31 December 2012	**31 December 2011**
Ordinary	-	RMB 8.5 million
Preference	-	-
Total:	-	RMB 8.5 million

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(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

There are no persons occupying managerial positions in the Company or any of its principal subsidiaries who are relatives of a Director, Chief Executive Officer or Substantial Shareholder of the Company for the year ended 31 December 2012

BY ORDER OF THE BOARD

Hong Qing Liang
Executive Chairman & CEO

28 February 2013