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

**FULL YEAR FINANCIAL STATEMENTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015.**

**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 31/12/2015. These figures have not been audited.

| | Group | | | Group | | |
|---|---|---|---|---|---|---|
| | 3 months Ended 31/12/2015 Unaudited | 3 months Ended 31/12/2014 Unaudited | Increase/ (Decrease) | Year Ended 31/12/2015 Unaudited | Year Ended 31/12/2014 Audited | Increase/ (Decrease) |
| | RMB'000 | RMB'000 | % | RMB'000 | RMB'000 | % |
| **Revenue** | 205,174 | 216,828 | (5) | 702,093 | 649,088 | 8 |
| Cost of sales | (192,034) | (205,985) | (7) | (653,969) | (598,364) | 9 |
| Gross profit | 13,140 | 10,843 | 21 | 48,124 | 50,724 | (5) |
| Other income and expenses | 10,407 | 21,082 | (51) | 16,867 | 33,435 | (50) |
| Selling and distribution expenses | (2,084) | (1,768) | 18 | (7,280) | (6,921) | 5 |
| General and administrative expenses | (24,264) | (7,693) | 215 | (59,171) | (46,457) | 27 |
| **(Loss)/Profit from operating activities** | (2,801) | 22,464 | NM | (1,460) | 30,781 | NM |
| Finance income | 329 | 553 | (41) | 1,765 | 2,075 | (15) |
| Finance expense | (4,999) | (6,380) | (22) | (13,863) | (11,935) | 16 |
| **(Loss)/Profit before income tax** | (7,471) | 16,637 | NM | (13,558) | 20,921 | NM |
| Income tax expense | (2,200) | (5,196) | (58) | (3,667) | (10,782) | (66) |
| **(Loss)/Profit for the period attributable to the equity holders of the Company** | (9,671) | 11,441 | NM | (17,225) | 10,139 | NM |
| **Other comprehensive (loss)/income for the period** | | | | | | |
| *Item that may be reclassified subsequently to profit or loss* | | | | | | |
| Exchange differences on translating foreign operations | (2,203) | 481 | NM | (6,402) | (1,064) | NM |
| **Total comprehensive (loss)/income for the period attributable to shareholders** | (11,874) | 11,922 | NM | (23,627) | 9,075 | NM |

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

| | | | | | | |
|---|---|---|---|---|---|---|
| Net of allowance for/(Writeback of) doubtful trade receivables | 1,516 | (4,866) | NM | 5,845 | 5,751 | 2 |
| Write off of advances to suppliers | 5,094 | - | 100 | 5,094 | - | 100 |
| Allowance for inventory written down | 1,956 | - | 100 | 1,956 | - | 100 |
| Amortisation of land use rights | 242 | 263 | (8) | 969 | 969 | - |
| Amortisation of intangible assets | 2 | (10) | NM | 9 | 117 | (92) |
| Loss on disposal of property, plant and equipment | - | - | - | - | 67 | (100) |
| Written off of property, plant and equipment | 5,271 | - | 100 | 5,271 | - | 100 |
| Gain from fair valuation of investment property | (7,021) | (19,687) | (64) | (7,021) | (19,687) | (56) |
| Depreciation of property, plant and equipment | 6,828 | 9,474 | (28) | 37,956 | 37,853 | 0 |
| Provision for social security contribution | (588) | 1,464 | NM | 423 | 1,464 | (71) |
| Foreign exchange (gain)/loss, net | (3,051) | 385 | NM | (8,703) | (846) | NM |
| Salaries and bonuses | 15,005 | 18,825 | (20) | 66,319 | 71,395 | (7) |

*NM: Not Meaningful*

**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 | |
|---|---|---|---|---|
| | **31/12/2015 Unaudited** | **31/12/2014 Audited** | **31/12/2015 Unaudited** | **31/12/2014 Audited** |
| | **RMB'000** | **RMB'000** | **RMB'000** | **RMB'000** |
| **ASSETS** | | | | |
| **Non-current assets** | | | | |
| Property, plant and equipment | 285,159 | 323,935 | - | - |
| Investment property | 376,620 | 297,860 | - | - |
| Land use rights | 32,961 | 33,930 | - | - |
| Intangible assets | 5 | 14 | - | - |
| Prepayments | 401 | 53 | - | - |
| Investment in subsidiaries | - | - | 344,853 | 344,853 |
| **Total non-current assets** | 695,146 | 655,792 | 344,853 | 344,853 |
| **Current assets** | | | | |
| Inventories | 57,910 | 67,814 | - | - |
| Trade and other receivables | 280,486 | 269,618 | 2 | 2 |
| Prepayments to suppliers | 65,086 | 90,997 | - | - |
| Amount due from subsidiaries (non-trade) | - | - | 488,744 | 483,419 |
| Fixed deposits | 40,750 | 58,318 | - | - |
| Cash and bank balances | 328,639 | 285,658 | 275 | 295 |
| **Total current assets** | 772,871 | 772,405 | 489,021 | 483,716 |
| **Total assets** | 1,468,017 | 1,428,197 | 833,874 | 828,569 |
| **EQUITY AND LIABILITIES** | | | | |
| **Current liabilities** | | | | |
| Trade payables | 9,718 | 5,830 | - | - |
| Bills payable to banks | 132,841 | 133,827 | - | - |
| Other payables & accruals | 225,861 | 204,189 | 1,421 | 1,894 |
| Amount due to a director (non-trade) | 7,016 | 27,173 | 6,720 | 5,398 |
| Amount due to related companies (non-trade) | - | - | - | - |
| Short-term bank loans | 293,188 | 237,189 | - | - |
| Bank overdrafts | 18,567 | 17,102 | - | - |
| Income tax payable | 4,305 | 4,012 | - | - |
| **Total current liabilities** | 691,496 | 629,322 | 8,141 | 7,292 |
| **Non-current liability** | | | | |
| Deferred tax liabilities | 61,031 | 59,758 | - | - |
| **Total non-current liability** | 61,031 | 59,758 | - | - |
| **Total liabilities** | 752,527 | 689,080 | 8,141 | 7,292 |
| **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 | 64,590 | 64,359 | - | - |
| Restructuring reserve | (117,878) | (117,878) | - | - |
| Contributed surplus | 39,573 | 39,573 | 39,573 | 39,573 |
| Translation reserve | (4,078) | 2,324 | - | - |
| Accumulated profits/(losses) | (32,883) | (15,427) | 19,994 | 15,538 |
| **Total equity** | 715,490 | 739,117 | 825,733 | 821,277 |
| **Total equity and liabilities** | 1,468,017 | 1,428,197 | 833,874 | 828,569 |

**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 2015 | | As at 31 December 2014 | |
|---|---|---|---|---|
| | **Secured** | **Unsecured** | **Secured** | **Unsecured** |
| | **RMB'000** | **RMB'000** | **RMB'000** | **RMB'000** |
| Bills payable to banks | | | | |
| - China CITIC Bank[1] | 53,500 | - | 75,700 | - |
| - China Construction Bank[2] | 35,000 | - | 32,000 | - |
| - Industrial and Commercial Bank of China – Longhu Jinjiang Branch [3] | - | - | - | - |
| - Hang Seng Bank[4] | 44,341 | - | 26,127 | - |
| Short-term bank loans | | | | |
| - China CITIC Bank[1] | 120,000 | - | 70,000 | - |
| - Industrial and Commercial Bank of China – Longhu Jinjiang Branch [3] | 9,000 | - | 9,000 | - |
| - Hang Seng Bank[4] | 35,188 | - | 29,189 | - |
| - China Construction Bank Dongqu Branch[5] | 110,000 | - | 110,000 | - |
| - Fujian Jinjiang Agricultural Bank – Longhu Branch [6] | 19,000 | - | 19,000 | - |
| Bank overdrafts | | | | |
| - Hang Seng Bank[4] | 18,567 | - | 17,102 | - |

**Notes:**

[1] The bills payable of RMB 53.5 million and short-term bank loan of RMB120.0 million were 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 People's Republic of China ("The PRC"), and a personal guarantee from a related party - Mr. Hong Qing Liang (Executive Chairman and CEO), and corporate guarantees from a subsidiary, Jinjiang Fuxing Dress Co. Ltd. and an independent third party - Jinjiang Yuanda Garment Weaving Co. Ltd.

[2] RMB 35 million bills payable was 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 parties - Mr. Hong Qing Liang (Executive Chairman and CEO), and Ms Shi MeiMei (spouse of Mr. Hong Qing Liang)

[3] The short-term bank loan of RMB 9.0 million was 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, a personal guarantee from a related party - Mr. Hong Qing Liang (Executive Chairman and CEO), corporate guarantees from a subsidiary - Jinjiang Fuxing Dress Co. Ltd., and an independent third party - Jinjiang Yuanda Garment Weaving Co. Ltd.

[4] The bills payable of RMB 44.3 million, short-term loan of RMB 35.2 million and bank overdraft of RMB 18.6 million were secured by a charge over investment property (13$^{th}$ floor which is the top floor) owned by Pretty Limited and part of the 12$^{th}$ floor, the Staircase of Tower A, Mandarin Plaza, No 14 Science Museum Road, Kowloon, rental receipt arising from the mortgaged property, charge over investment property (Unit 13 on 5th Floor, Unit 15 on 16th Floor and Unit 15 on 25th Floor, Seapower Tower Concordia Plaza, No.1 Science Museum Road, Kowloon owned by Goldplan Corporation Limited, a corporate guarantee from Fuxing China Group Limited, and a personal guarantee from a related party - Mr. Hong Qing Liang (Executive Chairman and CEO).

Pretty Limited and Goldplan Corporation Limited are wholly-owned by Mr. Hong Qing Liang (Executive Chairman and CEO).

[5] This loan was secured by a land parcel owned by Xiamen Fuxing Industrial Co., Ltd., located at northeast to the junction of Tai Dong Road and Tai Nan Road, 03-07 Guanyin Shan, Siming District, Xiamen, PRC.

[6] This loan was guaranteed by personal guarantees from a related party - Mr. Hong Qing Liang (Executive Chairman and CEO), an independent third party – Mr. Wu Yuan Yang and a corporate guarantee from an independent third party - Jinjiang Yuanda Garment Weaving Co. Ltd.

**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 31/12/2015 Unaudited RMB'000 | 3 months Ended 31/12/2014 Unaudited RMB'000 | Year Ended 31/12/2015 Unaudited RMB'000 | Year Ended 31/12/2014 Audited RMB'000 |
|---|---|---|---|---|
| **OPERATING ACTIVITIES** | | | | |
| **(Loss)/Profit before income tax** | **(7,471)** | **16,637** | **(13,558)** | **20,921** |
| Adjustments for: | | | | |
| Depreciation of property, plant and equipment | 6,828 | 9,474 | 37,956 | 37,853 |
| Amortisation of land use rights | 242 | 263 | 969 | 969 |
| Amortisation of intangible assets | 2 | (10) | 9 | 117 |
| Written off of property, plant and equipment | 5,271 | - | 5,271 | - |
| Loss on disposal of property, plant and equipment | - | - | - | 67 |
| Gain from fair valuation on investment property | (7,021) | (19,687) | (7,021) | (19,687) |
| Net allowance for/(Writeback on allowance for) doubtful trade receivables | 1,516 | (4,866) | 5,845 | 5,751 |
| Write off of advances to suppliers | 5,094 | - | 5,094 | - |
| Inventory written down | 1,956 | - | 1,956 | - |
| Provision for social security contribution | (588) | 1,464 | 423 | 1,464 |
| Interest expense | 4,999 | 6,380 | 13,863 | 11,935 |
| Interest income | (329) | (553) | (1,765) | (2,075) |
| Unrealised foreign currency differences | (1,408) | 408 | (4,427) | (2,439) |
| Total adjustments | 16,562 | (7,127) | 58,173 | 33,955 |
| **Operating cash flows before changes in working capital** | **9,091** | **9,510** | **44,615** | **54,876** |
| Decrease/(Increase) in: | | | | |
| Inventories | 40,076 | 15,848 | 7,948 | (2,926) |
| Trade receivables | (20,903) | (57,617) | (11,566) | (56,102) |
| Bills and other receivable | (7,106) | (2,387) | (7,681) | (3,773) |
| Prepayment | (228) | (3,618) | 20,817 | (13,154) |
| Increase/(Decrease) in: | | | | |
| Trade payables | 288 | (8,448) | 3,888 | (2,813) |
| Other payables & accruals | 32,768 | 56,714 | 23,781 | 24,315 |
| Bills payable | 16,227 | 16,160 | (986) | (15,918) |
| Due to directors | 5,767 | 22,199 | (20,157) | 21,469 |
| Total changes in working capital | 66,889 | 38,851 | 16,044 | (48,902) |
| **Cash flows generated from operations** | **75,980** | **48,361** | **60,659** | **5,974** |
| Interest expense paid | (4,999) | (6,380) | (13,863) | (11,935) |
| Interest income received | 329 | 553 | 1,765 | 2,075 |
| Income tax paid | (463) | (1,938) | (2,100) | (5,392) |
| **Net cash generated from/(used in) operating activities** | **70,847** | **40,596** | **46,461** | **(9,278)** |
| **INVESTING ACTIVITIES** | | | | |
| Purchase of property, plant and equipment | 1,950 | (30,184) | (4,799) | (34,528) |
| Construction of investment properties | (34,312) | (19,901) | (71,739) | (43,283) |
| **Net cash used in investing activities** | **(32,362)** | **(50,085)** | **(76,538)** | **(77,811)** |
| **FINANCING ACTIVITIES** | | | | |
| Proceeds from short-term borrowings | 53,725 | 33,449 | 152,025 | 171,465 |
| Repayments of short-term borrowings | (29,700) | (8,000) | (98,000) | (77,000) |
| (Decrease)/Increase in fixed deposits pledged to banks | (2,000) | (17,108) | 17,568 | 8,164 |
| **Net cash generated from financing activities** | **22,025** | **8,341** | **71,593** | **102,629** |
| NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS | 60,510 | (1,148) | 41,516 | 15,540 |
| CASH & CASH EQUIVALENTS AT BEGINNING OF PERIOD / YEAR | 249,562 | 269,704 | 268,556 | 253,016 |
| CASH & CASH EQUIVALENTS AT END OF PERIOD/YEAR (Note A) | 310,072 | 268,556 | 310,072 | 268,556 |

**Note A:**

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

| | | 31/12/2015 Unaudited RMB'000 | 31/12/2014 Audited RMB'000 |
|---|---|---|---|
| Fixed deposits | | 40,750 | 58,318 |
| Cash and bank balances | | 328,639 | 285,658 |
| | | 369,389 | 343,976 |
| Less: | Bank overdraft | (18,567) | (17,102) |
| | Fixed deposits (pledged) | (40,750) | (58,318) |
| **Cash and cash equivalents** | | 310,072 | 268,556 |

Fixed deposits amounting to RMB 40,750,000 (2014: RMB 58,318,000) are pledged to banks for the Group's bills payable to banks and bank overdrafts.

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 2014** | 772,574 | (6,408) | 63,502 | 39,573 | (117,878) | 3,388 | (24,709) | 730,042 |
| Total comprehensive income for the year | - | - | - | - | - | (1,064) | 10,139 | 9,075 |
| Transferred to reserve fund | - | - | 857 | - | - | - | (857) | - |
| **Closing balance at 31 December 2014** | 772,574 | (6,408) | 64,359 | 39,573 | (117,878) | 2,324 | (15,427) | 739,117 |
| **At 1 January 2015** | 772,574 | (6,408) | 64,359 | 39,573 | (117,878) | 2,324 | (15,427) | 739,117 |
| Total comprehensive loss for the year | - | - | - | - | - | (6,402) | (17,225) | (23,627) |
| Transferred to reserve fund | - | - | 231 | - | - | - | (231) | - |
| **Closing balance at 31 December 2015** | 772,574 | (6,408) | 64,590 | 39,573 | (117,878) | (4,078) | (32,883) | 715,490 |
| **Company** | | | | | | | | |
| **At 1 January 2014** | 772,574 | (6,408) | - | 39,573 | - | - | 303 | 806,042 |
| Total comprehensive income for the year | - | - | - | - | - | - | 15,235 | 15,235 |
| **Closing balance at 31 December 2014** | 772,574 | (6,408) | - | 39,573 | - | - | 15,538 | 821,277 |
| **At 1 January 2015** | 772,574 | (6,408) | - | 39,573 | - | - | 15,538 | 821,277 |
| Total comprehensive income for the year | - | - | - | - | - | - | 4,456 | 4,456 |
| **Closing balance at 31 December 2015** | 772,574 | (6,408) | - | 39,573 | - | - | 19,994 | 825,733 |

| Group | Share capital | Treasury shares | Reserve fund | Contributed surplus | Restructuring reserve[1] | Translation reserve | Accumulated profits / (losses) | Total equity |
|---|---|---|---|---|---|---|---|---|
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| **At 1 October 2014** | 772,574 | (6,408) | 63,502 | 39,573 | (117,878) | 1,843 | (26,011) | 727,195 |
| Total comprehensive income for the period | - | - | - | - | - | 481 | 11,441 | 11,922 |
| Transferred to reserve fund | - | | 857 | - | - | - | (857) | - |
| **Closing balance at 31 December 2014** | 772,574 | (6,408) | 64,359 | 39,573 | (117,878) | 2,324 | (15,427) | 739,117 |
| **At 1 October 2015** | 772,574 | (6,408) | 64,359 | 39,573 | (117,878) | (1,875) | (22,981) | 727,364 |
| Total comprehensive loss for the period | - | - | - | - | - | (2,203) | (9,671) | (11,874) |
| Transferred to reserve fund | - | - | 231 | - | - | - | (231) | - |
| **Closing balance at 31 December 2015** | 772,574 | (6,408) | 64,590 | 39,573 | (117,878) | (4,078) | (32,883) | 715,490 |
| **Company** | | | | | | | | |
| **At 1 October 2014** | 772,574 | (6,408) | - | 39,573 | - | - | 17,555 | 823,294 |
| Total comprehensive income for the period | - | - | - | - | - | - | (2,017) | (2,017) |
| **Closing balance at 31 December 2014** | 772,574 | (6,408) | - | 39,573 | - | - | 15,538 | 821,277 |
| **At 1 October 2015** | 772,574 | (6,408) | - | 39,573 | - | - | 17,905 | 823,644 |
| Total comprehensive income for the period | - | - | - | - | - | - | 2,089 | 2,089 |
| **Closing balance at 31 December 2015** | 772,574 | (6,408) | - | 39,573 | - | - | 19,994 | 825,733 |

**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".

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 year ended 31 December 2015, there was no shares acquired.

Convertibles
For the year ended 31 December 2015, there was no outstanding convertibles.

On 11 May 2015, the Company completed a share consolidation of 50 existing issued ordinary shares into 1 ordinary share. Accordingly, adjustments have been made to the number of shares. Fractional entitlements are disregarded.

**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 2015** | **31 December 2014** |
|---|---|---|
| Total number of issued shares excluding treasury shares | 17,205,438* | 860,272,000 |

*After the completion of share consolidation on 11 May 2015.

There were a total of 277,720 treasury shares as at 31 December 2015.

**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 2015 | 13,886,000 |
| Purchases of shares during the period | - |
| Total number of shares as at 31 December 2015 | *277,720 |

*After the completion of share consolidation on 11 May 2015.

There were no sales, transfers, disposal, cancellation and/or use of treasury shares as at 31 December 2015.

**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 2014 have been applied in the preparation for the financial statements for the year ended 31 December 2015.

**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.**

| (Loss)/Earnings per ordinary share of the group, after deducting any provision for preference dividends (in RMB): | Group | | Group | |
|---|---|---|---|---|
| | **3 months ended 31/12/2015** | **3 months ended 31/12/2014** | **Year ended 31/12/2015** | **Year ended 31/12/2014** |
| (a) Basic and | (0.56) | (Restated)* 0.67 | (1.00) | (Restated)* 0.59 |
| (b) On a fully diluted basis | (0.56) | 0.67 | (1.00) | 0.59 |

*Note: Basic (loss)/earnings per share is computed based on weighted average number of shares in issue in 2015:*17,205,438 ordinary shares (2014: 860,272,000).*

*After the completion of share consolidation on 11 May 2015. The basic and diluted loss per share for the corresponding period has been restated on the basis of the Company's share consolidation.

*For the fourth quarter and full year ended 31 December 2015 and 2014, 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 2015 and 31 December 2014.*

**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 | |
|---|---|---|---|---|
| | **31/12/2015** | **31/12/2014** | **31/12/2015** | **31/12/2014** |
| Net asset value per ordinary share based on issued share capital at the end of the year (in RMB):<br><br>(Number of ordinary shares in issue as at 31/12/2015: *17,205,438 (as at 31/12/2014: 860,272,000)) | 41.6 | (Restated)* 43.0 | 47.9 | (Restated)* 47.7 |

*After the completion of share consolidation on 11 May 2015. The net asset value per share of the Group and the Company at the end of the immediately preceding financial year has been restated on the basis of the Company's share consolidation.

**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 31/12/2015 Unaudited** | **3 months Ended 31/12/2014 Unaudited** | **Increase/ (Decrease)** | **Year Ended 31/12/2015 Unaudited** | **Year Ended 31/12/2014 Unaudited** | **Increase/ (Decrease)** |
| **REVENUE** | **RMB'000** | **RMB'000** | **%** | **RMB'000** | **RMB'000** | **%** |
| Zipper Chain[(1)] | 77,326 | 86,767 | (11) | 297,219 | 320,206 | (7) |
| Zipper Slider[(1)] | 23,117 | 23,831 | (3) | 84,876 | 92,843 | (9) |
| Trading | 91,242 | 92,939 | (2) | 276,307 | 183,745 | 50 |
| Processing | 20,768 | 22,762 | (9) | 67,698 | 75,623 | (10) |
| Inter-segment sales | (7,339) | (9,471) | (23) | (24,007) | (23,329) | 3 |
| Total Group Revenue | 205,114 | 216,828 | (5) | 702,093 | 649,088 | 8 |
| **COST OF SALES** | | | | | | |
| Zipper Chain[(1)] | 69,514 | 79,987 | (13) | 264,107 | 286,221 | (7) |
| Zipper Slider[(1)] | 20,505 | 22,688 | (10) | 76,765 | 83,236 | (8) |
| Trading | 89,038 | 90,917 | (2) | 269,603 | 179,824 | 50 |
| Processing | 20,316 | 21,864 | (7) | 67,501 | 72,412 | (7) |
| Inter-segment sales | (7,339) | (9,471) | (23) | (24,007) | (23,329) | 3 |
| Total Group Cost of Sales | 192,034 | 205,985 | (7) | 653,969 | 598,364 | 9 |
| **GROSS PROFIT** | | | | | | |
| Zipper Chain[(1)] | 7,812 | 6,780 | 15 | 33,112 | 33,985 | (2) |
| Zipper Slider[(1)] | 2,612 | 1,143 | 128 | 8,111 | 9,607 | (16) |
| Trading | 2,204 | 2,022 | 9 | 6,704 | 3,921 | 71 |
| Processing | 452 | 898 | (50) | 197 | 3,211 | (94) |
| Total Gross Profit | 13,080 | 10,843 | 21 | 48,124 | 50,724 | (5) |
| **GROSS PROFIT MARGIN** | | | | | | |
| | **%** | **%** | **% pts** | **%** | **%** | **% pts** |
| Zipper Chain | 10.1 | 7.8 | 2.3 | 11.1 | 10.6 | 0.5 |
| Zipper Slider | 11.6 | 4.8 | 6.7 | 9.6 | 10.4 | (0.8) |
| Trading | 2.4 | 2.2 | 0.2 | 2.4 | 2.1 | 0.3 |
| Processing | 2.2 | 3.9 | (1.7) | 0.3 | 4.2 | (3.9) |
| Average Gross Profit Margin | 6.4 | 5.0 | 1.4 | 6.9 | 7.8 | (0.9) |
| Zipper Segment Gross Profit Margin | 10.4 | 7.2 | 3.2 | 10.8 | 10.6 | 0.2 |

*NM: Not Meaningful*

(1) The Zipper Chain segment and the Zipper Slider segment are sub-segments of the Zipper segment. Both the sub-segments are considered as one segment. Hence, the amount in the table is net of inter-sub-segment sales.

**FY2015 vs. FY2014**

**Revenue**

The Group's revenue increased by RMB 53.0 million (or 8%) to RMB 702.1 million. This was mainly due to the increase in the sales of the Trading segment (RMB 92.6 million). The increase was partially offset by the decrease in revenue contributions from the Zipper Chain segment (RMB 23.0 million), the Zipper Slider segment (RMB 8.0 million) (collectively referred as the "Zippers segment"), and the Processing segment (RMB 7.9 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 segment and the Processing segment were 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 resulted in the decrease in sales order from customers.

The Group's Trading segment relates to the sourcing and buying of certain raw materials in accordance to customers' requirements. The profit margin and all purchases were based on confirmed sales. 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 increase in revenue from the Trading segment was due to an increase in sales orders from customers during FY2015.

**Gross Profit and Gross Profit Margin**

The Group's gross profit decreased by RMB 2.6 million (or 5%) to RMB 48.1 million. The decrease was due mainly to the decreases in profit margin from the Processing segment.

Average gross profit margin decreased by 0.9 percentage points to 6.9% due to the decrease in gross profit margin from the Processing segment in FY2015. This was attributable to the decrease in sales orders.

**Other income and other expenses**

Other income mainly comprises gain on fair valuation from investment properties, government subsidies, and foreign exchange gains. The net income represented the decrease in gain on fair valuation from investment properties (RMB 12.7 million). The foreign exchange gain arises from the depreciation of RMB against USD and SGD in the Group's foreign currencies denominated bank balances and from the translation of HK dollar denominated balances owing from subsidiaries in the Company's book due to depreciation of RMB against HK dollar.

**Selling and distribution expenses**

Selling and distribution expenses increased by RMB 0.4 million (or 5%) to RMB 7.3 million. The increase was due mainly to the new promotional activities that had commenced in 3Q2015.

**General and administrative expenses**

General and administrative expenses increased by RMB 12.7 million (or 27%) to RMB 59.2 million. This was mainly due to the allowance for inventory written down of RMB 2.0 million, allowance for doubtful prepayment written off of RMB 5.1 million, and written off of property, plant and equipment of RMB 5.3 million.

The Company written off the spare plant and machineries, after successfully installation of the automation machineries in FY2015.

The Company written off the long-term prepayment more than one year with certain suppliers as the Company had lost contact with the suppliers.

The written down of inventory value represented the decrease in raw materials price.

**Finance income and expenses**

Finance expenses increased by RMB 1.9 million (or 16%) to RMB 13.9 million. This was attributable to the increase in short-term loans and bills transactions with banks. Finance income decreased by RMB 0.3 million (or 15%) to RMB 1.8 million due mainly to the decrease in interest rate.

**Tax expense**

| | Group | | |
|---|---|---|---|
| | **Year Ended 31/12/2015 Unaudited** | **Year Ended 31/12/2014 Audited** | **Increase/ (Decrease)** |
| | **RMB'000** | **RMB'000** | **%** |
| Current tax[1] | 2,181 | 3,700 | (41) |
| Deferred tax[2] | 231 | 802 | (71) |
| Deferred tax[3] | 1,255 | 6,280 | (80) |
| Tax expense | 3,667 | 10,782 | (66) |

NM: Not Meaningful

**Notes:**

[1] Current tax decreased by RMB 1.5 million or 41% due to a decrease in taxable profit before taxation in FY2015.

[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 arise from the temporary differences in fair value of investment property and depreciation of property, plant and equipment.

**4Q2015 vs. 4Q2014 (3 months)**

**Revenue**

The Group's revenue decreased by RMB 11.7 million (or 5%) to RMB 205.2 million. The decrease was due mainly to the decrease in sales of the Zipper Slider segment (RMB 0.7 million), and the Zipper Chain segment (RMB 9.4 million) (collectively referred as the "Zippers segment"), the Trading segment (RMB 1.7 million), and the Processing segment (RMB 2.0 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 Zippers segment and the Processing segment were 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 resulted in the decrease in sales order from customers.

**Gross Profit and Gross Profit Margin**

The Group's gross profit increased by RMB 2.3 million (or 21%) to RMB 13.1 million. The increase in gross profit was due mainly to the decrease in overhead after partial automation of the production process in the Zipper segment.

Average gross profit margin increased by 1.4 percentage points to 6.4% due to the increase in gross profit margin from the Zippers segment in 4Q2015 arising from lower overhead cost after partial automation of the production process.

**Other income and other expenses**

Other income mainly comprises gain on fair valuation from investment properties, government subsidies, and foreign exchange gains. The net income represented the decrease in gain on fair valuation from investment properties (RMB 12.7 million). The foreign exchange gain arises from the depreciation of RMB against USD and SGD in the Group's foreign currencies denominated bank balances and from the translation of HK dollar denominated balances owing from subsidiaries in the Company's book due to depreciation of RMB against HK dollar.

**Selling and distribution expenses**

Selling and distribution expenses increased by RMB 0.3 million (or 18%) to RMB 2.1 million. The increase was due mainly to the new promotional activities that had commenced in 3Q2015.

**General and administrative expenses**

General and administrative expenses increased by RMB 16.6 million (or 215%) to RMB 24.3 million. This was mainly due to the allowance for inventory written down of RMB 2.0 million, allowance for doubtful prepayment written off of RMB 5.1 million, and written off of property, plant and equipment of RMB 5.3 million.

The Company written off the spare plant and machineries, after successfully installation of the automation machineries in FY2015.

The Company written off the long-term prepayment more than one year with certain suppliers as the Company had lost contact with the suppliers.

**Finance income and expenses**

Finance expenses decreased by RMB 1.4 million (or 22%) to RMB 5.0 million. This was attributable to the decrease in interest rate. Finance income decreased by RMB 0.2 million to RMB 0.3 million as a result of decrease in interest rate.

**Tax expense**

| | **Group** | | |
|---|---|---|---|
| | **3 months Ended 31/12/2015 Unaudited** | **3 months Ended 31/12/2014 Unaudited** | **Increase/ (Decrease)** |
| | **RMB'000** | **RMB'000** | **%** |
| Current tax[1] | 905 | 1,175 | (23) |
| Deferred tax[2] | 40 | 74 | (46) |
| Deferred tax[3] | 1,255 | 3,947 | (68) |
| Tax expense | 2,200 | 5,196 | (58) |

**Notes:**

[1] Current tax decreased by RMB 0.3 million or 23% due to a decrease in taxable profit before taxation in 4Q2015.

[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 arise 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 2015, non-current assets amounted to RMB 695.1 million comprising property, plant and equipment, investment property, land use rights, prepayment and intangible assets.

The Group's property, plant and equipment amounted to RMB 285.2 million, a decrease of RMB 38.8 million compared to RMB 323.9 million as at 31 December 2014. The decrease was due mainly to depreciation expenses.

As at 31 December 2015, the investment properties represented the recognition of the construction cost of the Group's Xiamen Headquarters project ("HQ Project") under FRS40 - "Investment property is property held to earn rentals or for capital appreciation or both." According to the Group's construction plan, the HQ Project will have 25 floors, and most of the office units will be leased out to earn rental income. Therefore, this property including the land use right was classified as investment properties under FRS40.

The decrease in land use rights and intangible assets was due mainly to the amortization expenses.

The prepayment balance in FY2015 represented the deposits paid for purchases of machinery.

### Current assets

As at 31 December 2015, current assets amounted to RMB 775.4 million, an increase of 0.4% (RMB 3.0 million) compared to RMB 772.4 million as at 31 December 2014. This was due largely to the increase in cash and bank balances, trade and other receivables.

Inventories decreased by RMB 9.9 million as a result of the decrease in raw materials price.

Trade and other receivables increased by RMB 13.4 million from RMB 269.6 million to RMB 283.0 million due to an extension of credit period granted to some long time customers so as to retain their orders.

The decrease in prepayments to suppliers by RMB 25.9 million (or 28%) to RMB 65.1 million was due mainly to the decrease in advances made to certain suppliers. For advances to suppliers, the Group will secure signed supply agreements with its various suppliers. The advance payments in the supply agreements are calculated based on a certain percentage of the total contract price.

Cash and bank balances increased from RMB 285.7 million to RMB 328.6 million due mainly to the increase in short-term bank loans.

### Current liabilities

As at 31 December 2015, total current liabilities were RMB 694.0 million, an increase of 10% (or

RMB 64.7 million) compared to RMB 629.3 million as at 31 December 2014. This was mainly attributable to the increase in trade payables, other payables and accruals, short-term bank loans, and bank overdrafts, which was offset by the decrease in amounts due to a Director, and bills payable to banks.

Trade payables increased by RMB 3.9 million due mainly to the full utilization of the credit period.

The other payables and accruals increased by RMB 24.2 million to RMB 228.3 million was due mainly to the accrual of the construction costs for the building of the Group's Xiamen Headquarters.

Short-term bank loans increased by RMB 56 million (or 24%) to RMB293.2 million due to proceeds from new banking for working capital, please refer to page 4 for further information.

Bank overdrafts represented the drawdown of the banking facilities from Hang Seng Bank.

The amount due to a Director was due to funds contributed by Mr Hong Qing Liang for the Group's Xiamen Headquarters construction project. The construction costs were paid by Mr Hong from his personal bank account in Hong Kong first and reimbursed by the Company. This arrangement was undertaken as the local government of Xiamen Island will impose an interest tax on all monies transferred from other locations within the PRC. Remittances from Hong Kong and foreign countries are exempted from such tax.

**Non-current liabilities**

Non-current liabilities comprise deferred tax liabilities. The increase in deferred tax liabilities was due mainly to the increase in withholding tax as explained above under the note for tax expense.

**CASH FLOW**

**Operating activities**
Net cash flows generated from operating activities in FY2015 amounted to RMB 46.5 million while net cash flows used in operating activities in FY2014 amounted to RMB 9.3 million. This was due mainly to the decrease in prepayments, the increase in trade and other payables.

Net cash flows generated from operating activities in 4Q2015 amounted to RMB 70.8 million compared to RMB 44.5 million in 4Q2014. This was due mainly to the decrease in inventories, increase in trade and other receivables.

**Investing activities**
Net cash flows used in investing activities in FY2015 amounted to RMB 76.5 million compared to RMB 77.8 million in FY2014; and net cash flows used in investing activities in 4Q2015 amounted to RMB 32.4 million compared to RMB 54.0 million in 4Q2014. This was mainly due to the construction cost of investment properties.

**Financing activities**
Net cash flows generated from financing activities in FY2015 amounted to RMB 71.6 million compared to RMB 102.6 million in FY2014; and net cash flows generated from financing activities in 4Q2015 amounted to RMB 22.0 million compared to RMB 8.3 million in 4Q2014. This was due mainly to new short-term bank loans and banking facilities obtained, please refer to page 3 for further information.

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

The performance for 4Q2015 and FY2015 is line with the commentary made in item 10 of the Company's results announcement dated 11 November 2015.

**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 31 December 2015, the Group recorded a loss of RMB17.2 million after tax. The past year has been a challenging and tough year for the Group as it continued to operate under a highly competitive environment as the zipper industry in the PRC faces intense competition with razor thin profit margins.

The Group expects the zipper industry to remain highly challenging and competitive. The Group expects the continuation of the slowing economic growth in the PRC, uncertainties for export sales, as well as cost pressures arising from rising production and labour costs to prevail. These factors will still adversely impact on the Group's operating outlook for the next twelve months.

The Group expects its current automation of its plant and machineries to yield some cost savings in its overheads so as to mitigate some of the rising cost pressures. The Group will also step up its promotional activities to increase its sales orders and continue to exercise tight control on the administrative expenses.

Update on construction progress of the Company's Xiamen Headquarters

As of to-date, the HQ Project is approximately 85% completed. The Group will strive to complete the construction of the building in the coming months. Upon completion of the construction, the Group will lease out part of the office building for rental income. The Group had obtained shareholders' approval on 28 April 2015 to dispose part of the office building of the HQ Project when opportunity arises which will strengthen its financial position.

**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<br>31 December 2015 | 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 | 297,219 | 84,876 | 276,307 | 43,691 | - | - | 702,093 |
| Inter-segment sales | 4,709 | 11,490 | - | 24,007 | (40,206) | - | - |
| Total revenue | 301,928 | 96,366 | 276,307 | 67,698 | | (40,206) | 702,093 |
| **Results:** | | | | | | | |
| Segment gross profit | 33,113 | 8,110 | 6,704 | 197 | - | - | 48,124 |
| Segment results | 4,827 | (3,729) | 6,506 | (19,084) | 10,020 | - | (1,460) |
| Finance income | 1,253 | 357 | - | 17 | 138 | - | 1,765 |
| Finance expense | (7,152) | - | (2,916) | (1,795) | (2,000) | - | (13,863) |
| Loss before income tax | | | | | | | (13,558) |
| Tax expenses | | | | | | | (3,667) |
| Net loss attributable to shareholders | | | | | | | (17,225) |
| **Other segment information** | | | | | | | |
| Fair value gains on investment properties | - | - | - | - | 7,021 | - | 7,021 |
| Depreciation and amortization | 20,816 | 4,758 | 4 | 13,351 | 5 | - | 38,934 |
| Provision for social security contribution | (285) | (155) | - | 872 | - | - | 432 |
| Inventory written off | - | 902 | - | 1,054 | - | - | 1,956 |
| Written off of PPE | - | 4,506 | - | 765 | - | - | 5,271 |
| **Total assets** | **681,924** | **119,045** | **130,272** | **157,168** | **379,608** | **-** | **1,468,017** |
| Capital expenditure for property, plant and equipment | 851 | 593 | 6 | 3,001 | - | - | 4,451 |
| **Total liabilities** | **(259,725)** | **(68,448)** | **(98,745)** | **(114,275)** | **(211,334)** | **-** | **(752,527)** |
| **31 December 2014** | | | | | | | |
| **Revenue:** | | | | | | | |
| Sales to external customers | 320,206 | 92,843 | 183,745 | 52,294 | - | - | 649,088 |
| Inter-segment sales | 3,297 | 11,023 | - | 23,329 | (37,649) | - | - |
| Total revenue | 323,503 | 103,866 | 183,745 | 75,623 | | (37,649) | 649,088 |
| **Results:** | | | | | | | |
| Segment gross profit | 33,985 | 9,607 | 3,921 | 3,211 | - | - | 50,724 |
| Segment results | 16,693 | 3,532 | 4,469 | (8,506) | 14,593 | - | 30,781 |
| Finance income | 1,486 | 340 | 1 | 7 | 241 | - | 2,075 |
| Finance expense | (4,800) | - | (1,522) | (1,713) | (3,900) | - | (11,935) |
| Profit before income tax | | | | | | | 20,921 |
| Tax expenses | | | | | | | (10,782) |
| Net profit attributable to shareholders | | | | | | | 10,139 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Other segment information** | | | | | | | |
| Fair value gains on investment properties | - | - | - | - | 19,687 | - | 19,687 |
| Depreciation and amortization | 21,346 | 4,467 | 2 | 13,116 | 8 | - | 38,939 |
| Provision for social security contribution | (208) | 120 | - | 1,552 | - | - | 1,464 |
| Loss on disposal | - | - | - | 67 | - | - | 67 |
| **Total assets** | **646,503** | **102,034** | **109,435** | **195,644** | **374,581** | **-** | **1,428,197** |
| Capital expenditure for property, plant and equipment | 3,576 | 8,643 | - | 24,772 | 14 | - | 37,005 |
| **Total liabilities** | **(228,468)** | **(64,173)** | **(72,447)** | **(108,711)** | **(215,281)** | | **(689,080)** |

*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 | |
|---|---|---|---|---|
| | **2015** | **2014** | **2015** | **2014** |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| People's Republic of China | 425,786 | 465,264 | 695,141 | 655,789 |
| Hong Kong | 276,307 | 183,824 | 5 | 3 |
| | 702,093 | 649,088 | 695,146 | 655,792 |

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 | | |
|---|---|---|---|
| | **FY2015** | **FY2014** | **Increase/ (decrease)** |
| | **RMB'000** | **RMB'000** | **%** |
| (a) Sales reported for first half year | 314,986 | 267,268 | 18 |
| (b) Operating loss after tax before deducting minority interests reported for first half year | (11,060) | (8,286) | 33 |
| (c) Sales reported for second half year | 387,107 | 381,820 | 1 |
| (d) Operating profit / (loss) after tax before deducting minority interests reported for second half year | (6,165) | 18,425 | NM |

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 2015** | **31 December 2014** |
|---|---|---|
| **Ordinary** | - | - |
| **Preference** | - | - |
| **Total:** | - | - |

**18. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

| Name | Age | Family Relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder | Current position and duties, and the year position was first held | Details of changes to duties and position held, if any, during the year |
|---|---|---|---|---|
| Hong Shao Lin | 27 | Son of Mr Hong Qing Liang – Executive Chairman, Chief Executive Officer and Substantial Shareholder | General Manager of Jinjiang Fookhing Zipper Co. Ltd ("Jinjiang FZ"), a subsidiary of the Company, since April 2013.<br><br>Overseeing the operations of Jinjiang FZ. | No change |

BY ORDER OF THE BOARD

Hong Qing Liang
**Executive Chairman & CEO**

24 February 2016