

**YONGMAO HOLDINGS LIMITED**  
**(Company Registration No.200510649K)**

**UNAUDITED FOURTH QUARTER/FULL YEAR FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL PERIOD/YEAR ENDED 31 MARCH 2016**

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

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

Group statement of profit or loss and other comprehensive income for the financial period/year ended 31 March 2016. These figures have not been audited.

	Group (Fourth Quarter)			Group (Full Year)		
	RMB'000		%	RMB'000		%
	3 months ended 31 Mar 2016 (Q4 FY2016)	3 months ended 31 Mar 2015 (Q4 FY2015)	Increase/ (Decrease)	12 months ended 31 Mar 2016 (FY2016)	12 months ended 31 Mar 2015 (FY2015)	Increase/ (Decrease)
<b>Revenue</b>	116,532	170,146	(31.5)	454,951	782,969	(41.9)
Cost of sales	(79,380)	(115,064)	(31.0)	(313,751)	(537,563)	(41.6)
<b>Gross profit</b>	<b>37,152</b>	<b>55,082</b>	<b>(32.6)</b>	<b>141,200</b>	<b>245,406</b>	<b>(42.5)</b>
Other income	5,270	539	877.7	7,873	15,026	(47.6)
Distribution costs	(11,659)	(14,217)	(18.0)	(46,207)	(58,626)	(21.2)
Administrative expenses	(20,071)	(15,966)	25.7	(74,895)	(78,604)	(4.7)
Other operating expenses	3,012	(7,479)	NM	(2,875)	(8,876)	(67.6)
Finance costs	(4,212)	(4,976)	(15.4)	(20,655)	(21,355)	(3.3)
<b>Total operating expenses</b>	<b>(32,930)</b>	<b>(42,638)</b>	<b>(22.8)</b>	<b>(144,632)</b>	<b>(167,461)</b>	<b>(13.6)</b>
<b>Profit before taxation</b>	<b>9,492</b>	<b>12,983</b>	<b>(26.9)</b>	<b>4,441</b>	<b>92,971</b>	<b>(95.2)</b>
Taxation	(2,686)	(3,203)	(16.1)	(2,117)	(15,121)	(86.0)
<b>Net profit for the period/year</b>	<b>6,806</b>	<b>9,780</b>	<b>(30.4)</b>	<b>2,324</b>	<b>77,850</b>	<b>(97.0)</b>
<b>Attributable to:</b>						
Equity holders of the Company	8,343	6,889	21.1	3,911	62,850	(93.8)
Non-controlling interests	(1,537)	2,891	NM	(1,587)	15,000	NM
<b>Net profit for the period/year</b>	<b>6,806</b>	<b>9,780</b>	<b>(30.4)</b>	<b>2,324</b>	<b>77,850</b>	<b>(97.0)</b>

NM: Not Meaningful

	Group (Fourth Quarter)			Group (Full Year)		
	RMB'000		%	RMB'000		%
	3 months ended 31 Mar 2016 (Q4 FY2016)	3 months ended 31 Mar 2015 (Q4 FY2015)	Increase/ (Decrease)	12 months ended 31 Mar 2016 (FY2016)	12 months ended 31 Mar 2015 (FY2015)	Increase/ (Decrease)
<b>Net profit for the period/year</b>	6,806	9,780	(30.4)	2,324	77,850	(97.0)
<b>Other comprehensive income/(expense):</b>						
Item that may be reclassified subsequently to profit or loss:						
Fair value gain on available-for-sale financial assets	2,379	792	200.4	2,379	792	200.4
Exchange translation difference <sup>1</sup>	2,750	(363)	NM	4,298	(2,144)	NM
Other comprehensive income/(expense) of the period/year, net of tax	5,129	429	1,095.6	6,677	(1,352)	NM
<b>Total comprehensive income for the period/year</b>	11,935	10,209	16.9	9,001	76,498	(88.2)
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	12,502	7,410	68.7	9,035	61,488	(85.3)
Non-controlling interests	(567)	2,799	NM	(34)	15,010	NM
<b>Total comprehensive income for the period/year</b>	11,935	10,209	16.9	9,001	76,498	(88.2)

**Notes to Group statement of profit or loss:**

	Group (Fourth Quarter)			Group (Full Year)		
	RMB'000		%	RMB'000		%
	3 months ended 31 Mar 2016 (Q4 FY2016)	3 months ended 31 Mar 2015 (Q4 FY2015)	Increase/ (Decrease)	12 months ended 31 Mar 2016 (FY2016)	12 months ended 31 Mar 2015 (FY2015)	Increase/ (Decrease)
<b>Other income</b>						
Amortisation of deferred capital grants	57	48	18.8	336	234	43.6
Gain on restructuring <sup>2</sup>	-	-	-	-	12,058	(100.0)
Gain on disposal of property, plant and equipment	420	24	1,650.0	469	1,230	(61.9)
Interest income	4,393	(85)	NM	4,956	391	1,167.5
Compensation income	-	-	-	839	-	NM
Others	400	552	(27.5)	1,273	1,113	14.4
	5,270	539	877.7	7,873	15,026	(47.6)
<b>Other operating expenses</b>						
(Reversal of)/allowance for impairment of trade receivables	(1,657)	6,854	NM	437	6,854	(93.6)
Exchange (gain)/loss	(1,576)	(1,105)	42.6	309	(2,547)	NM
Bank charges	372	1,860	(80.0)	1,431	3,605	(60.3)
Loss on disposal of property, plant and equipment	-	4	(100.0)	-	23	(100.0)
Property, plant and equipment written off	1	1	-	1	6	(83.3)
Refund of penalty income received for breach of contracts <sup>3</sup>	-	-	NM	-	684	(100.0)
Donations	-	-	-	400	200	100.0
Others	(152)	(135)	12.6	297	51	482.4
	(3,012)	7,479	NM	2,875	8,876	(67.6)

**Notes to other profit or loss items**

The Group profit before taxation is arrived at after charging/(crediting):

	Group (Fourth Quarter)			Group (Full Year)		
	RMB'000		%	RMB'000		%
	3 months ended 31 Mar 2016 (Q4 FY2016)	3 months ended 31 Mar 2015 (Q4 FY2015)	Increase/ (Decrease)	12 months ended 31 Mar 2016 (FY2016)	12 months ended 31 Mar 2015 (FY2015)	Increase/ (Decrease)
Amortisation of intangibles assets	25	25	-	100	100	-
Depreciation of property, plant and equipment	12,780	11,698	9.2	49,987	45,631	9.5
Gain on disposal of property, plant and equipment, net	(420)	(20)	2,000.0	(469)	(1,207)	(61.1)
Interest expense	4,212	4,976	(15.4)	20,655	21,355	(3.3)
Operating lease rentals	1,860	1,678	10.8	8,412	7,888	6.6
Inventory write-down <sup>4</sup>	1,380	7,274	(81.0)	1,536	11,252	(86.3)

NM: Not Meaningful

**Note:**

- Gain on exchange translation arose mainly from translation of the net assets of our Hong Kong subsidiaries. HKD appreciated 4.4% against RMB as at 31 March 2016 as compared to previous year.
- See Paragraph 8 – Other income.
- Relate to a portion of the compensation income previously received in FY2013 refunded to customer in Q3 FY2015 as a result of an arbitration agreement signed in November 2014.
- Mainly write-down of certain finished goods that decline in value arising from technological changes. The inventory write-down is included in “Cost of sales”.

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 Mar 2016 RMB'000	31 Mar 2015 RMB'000	31 Mar 2016 RMB'000	31 Mar 2015 RMB'000
<b>ASSETS</b>				
<b>Non-current</b>				
Property, plant and equipment	454,693	444,077	-	-
Intangible assets	150	250	-	-
Subsidiaries	-	-	344,363	314,988
Available-for-sale financial assets	81,846	79,467	81,846	79,467
Trade and other receivables	826	535	-	-
Deferred costs	10,442	3,790	-	-
Deferred tax assets	16,643	16,896	-	-
	<u>564,600</u>	<u>545,015</u>	<u>426,209</u>	<u>394,455</u>
<b>Current</b>				
Inventories	280,801	263,454	-	-
Trade and other receivables	316,013	393,256	184	175
Deferred costs	10,398	8,929	-	-
Amounts owing by subsidiaries	-	-	42,519	33,490
Amounts owing by related parties	95,584	81,285	-	-
Amount owing by a corporate shareholder of a subsidiary	453	195	-	-
Cash and cash equivalents	166,036	149,922	2,042	11,611
	<u>869,285</u>	<u>897,041</u>	<u>44,745</u>	<u>45,276</u>
<b>TOTAL ASSETS</b>	<u>1,433,885</u>	<u>1,442,056</u>	<u>470,954</u>	<u>439,731</u>
<b>EQUITY</b>				
<b>Capital and Reserves</b>				
Share capital	312,484	312,484	312,484	312,484
Reserves	261,263	268,535	149,721	112,749
<b>Equity attributable to equity holders of the Company</b>	<u>573,747</u>	<u>581,019</u>	<u>462,205</u>	<u>425,233</u>
Non-controlling interests	54,083	54,811	-	-
<b>TOTAL EQUITY</b>	<u>627,830</u>	<u>635,830</u>	<u>462,205</u>	<u>425,233</u>
<b>LIABILITIES</b>				
<b>Non-current</b>				
Borrowings	507	5,934	-	-
Deferred income	15,730	5,094	-	-
Deferred capital grants	10,457	9,242	-	-
Deferred tax liabilities	15,975	18,278	5,964	10,016
Trade and other payables	22,135	23,972	-	-
	<u>64,804</u>	<u>62,520</u>	<u>5,964</u>	<u>10,016</u>
<b>Current</b>				
Trade and other payables	296,882	352,475	2,524	4,402
Borrowings	367,071	332,920	-	-
Deferred income	14,593	12,066	-	-
Deferred capital grants	229	194	-	-
Amounts owing to/advances from related parties	34,000	19,475	80	80
Amounts owing to a corporate shareholder of a subsidiary	26,008	24,910	-	-
Current tax payable	2,468	1,666	181	-
	<u>741,251</u>	<u>743,706</u>	<u>2,785</u>	<u>4,482</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,433,885</u>	<u>1,442,056</u>	<u>470,954</u>	<u>439,731</u>

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

	As at 31 Mar 2016		As at 31 Mar 2015	
	Secured <sup>(1)</sup>	Unsecured <sup>(2)</sup>	Secured <sup>(1)</sup>	Unsecured <sup>(2)</sup>
	RMB'000	RMB'000	RMB'000	RMB'000
Amount repayable in one year or less, or on demand	367,071	35,134	332,920	18,355
Amount repayable after one year	507	-	5,934	-
	367,578	35,134	338,854	18,355

**Details of any collaterals**

**Note (1):** The secured loans include the following:

	31 Mar 2016	31 Mar 2015	Description
	RMB'000	RMB'000	
<b>Bank borrowings</b>			
a)	50,000	30,000	Granted to Fushun Yongmao Construction Machinery Co., Ltd. ("Fushun Yongmao"), guaranteed by Beijing Yongmao Jiangong Machinery Manufacturing Co., Ltd. ("Beijing Yongmao") and a director of the Company.
b)	50,000	50,000	Granted to Fushun Yongmao, guaranteed by Beijing Yongmao.
c)	-	30,000	Granted to Fushun Yongmao, guaranteed by the Company.
d)	-	20,000	Granted to Fushun Yongmao, guaranteed by Beijing Yongmao and certain directors of the Company.
e)	102,927	97,846	Granted to Fushun Yongmao, guaranteed by the Company and the irrevocable letter of guarantees issued by another bank. The letter of guarantees are guaranteed by Beijing Yongmao and certain directors of the Company and secured by fixed deposits.
f)	49,217	-	Granted to Fushun Yongmao, guaranteed by Beijing Yongmao and certain directors of the Company and secured by fixed deposits.
g)	40,000	-	Granted to Fushun Yongmao, guaranteed by the Company, Beijing Yongmao and a director of the Company and secured by fixed deposit.
h)	5,393	11,845	Granted to Yongmao Machinery Pte. Ltd., guaranteed by the Company.
	297,537	239,691	
<b>Short-term trade financing</b>			
a)	-	8,700	Granted to Fushun Yongmao, guaranteed by certain directors of the Company.
b)	-	22,000	Granted to Fushun Yongmao, guaranteed by certain directors of the Company and secured by certain trade receivables.
c)	25,000	-	Granted to Fushun Yongmao, guaranteed by the Company, Beijing Yongmao and a director of the Company and secured by certain trade receivables.
	25,000	30,700	
<b>Finance lease obligations</b>			
a)	899	1,653	In respect of motor vehicles and office equipment acquired under finance leases.
b)	44,142	66,810	In respect of towercranes acquired under finance leases granted to Yongmao Machinery (H.K.) Company Limited.
	45,041	68,463	
	367,578	338,854	

The above borrowings are for working capital purposes.

**Note (2):** The unsecured loans include the followings:

- RMB18.4 million (31 March 2015 – RMB18.4 million), which was interest-bearing, was from a corporate shareholder to Beijing Yongmao for the purpose of increasing the working capital of Beijing Yongmao. This is included as part of "Amounts owing to a corporate shareholder of a subsidiary" under current liabilities in the balance sheet.
- RMB16.8 million (31 March 2015 – Nil), which was interest-free, was from a related party to Yongmao Machinery Pte Ltd for the purpose of increasing the working capital of the Group. This is included as part of "Amounts owing to/advances from related parties" under current liabilities in the balance sheet.

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

	Group (Fourth Quarter)		Group (Full Year)	
	RMB'000		RMB'000	
	3 months ended 31 Mar 2016 (Q4 FY2016)	3 months ended 31 Mar 2015 (Q4 FY2015)	12 months ended 31 Mar 2016 (FY2016)	12 months ended 31 Mar 2015 (FY2015)
<b>Cash flows from operating activities</b>				
Profit before taxation	9,492	12,983	4,441	92,971
Adjustments for:				
Unrealised profits from sale of towercranes and towercrane accessories to associated companies	-	-	-	(14,452)
Amortisation of deferred capital grants	(57)	(48)	(336)	(234)
Amortisation of intangible assets	25	25	100	100
Depreciation of property, plant and equipment	12,780	11,698	49,987	45,631
Gain on disposal of property, plant and equipment	(420)	(20)	(469)	(1,207)
Gain on restructuring	-	-	-	(12,058)
Property, plant and equipment written off	-	1	1	6
Inventories write-down	1,380	7,274	1,536	11,252
Interest expense	4,212	4,976	20,655	21,355
Interest income	(4,393)	85	(4,956)	(391)
Exchange translation difference	(83)	(1,499)	5,681	(2,422)
<b>Operating profit before working capital changes</b>	<b>22,936</b>	<b>35,475</b>	<b>76,640</b>	<b>140,551</b>
(Increase)/decrease in inventories <sup>1</sup>	(32,852)	12,192	(60,519)	14,849
Decrease/(increase) in deferred costs	1,734	3,145	(8,121)	20,163
(Increase)/decrease in operating receivables	(18,056)	986	64,538	51,411
Increase/(decrease) in operating payables	20,736	18,389	(63,334)	(63,359)
(Increase)/decrease in deferred income	(2,262)	(5,064)	13,163	(29,026)
<b>Cash (used in)/generated from operations</b>	<b>(7,764)</b>	<b>65,123</b>	<b>22,367</b>	<b>134,589</b>
Interest paid	(4,759)	(6,069)	(21,564)	(22,493)
Tax paid	(189)	(467)	(2,307)	(11,111)
<b>Net cash (used in)/generated from operating activities</b>	<b>(12,712)</b>	<b>58,587</b>	<b>(1,504)</b>	<b>100,985</b>
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment	(3,106)	(7,077)	(12,141)	(30,403)
Proceeds from disposal of property, plant and equipment	544	183	783	2,006
Proceeds from government grants	-	-	1,586	8,068
Receipt from a related party	-	168	-	168
Receipt from corporate shareholder of a subsidiary	4	392	4	1,219
Interest received	4,393	(85)	4,956	391
<b>Net cash generated from/(used in) investing activities</b>	<b>1,835</b>	<b>(6,419)</b>	<b>(4,812)</b>	<b>(18,551)</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	90,017	121,163	356,666	411,170
Repayment of borrowings	(57,741)	(132,494)	(308,573)	(522,163)
Repayment of finance lease liabilities	(6,657)	(6,146)	(27,475)	(19,757)
Restricted bank balances	(10,174)	(16,421)	6,761	1,331
Receipt from/(repayment to) related parties	16,779	(26,394)	16,779	(21,127)
Dividends paid to non-controlling interests	-	-	-	(409)
Dividends paid to equity holders of the Company	-	-	(16,307)	(11,017)
<b>Net cash generated from/(used in) financing activities</b>	<b>32,224</b>	<b>(60,292)</b>	<b>27,851</b>	<b>(161,972)</b>
Net increase/(decrease) in cash and cash equivalents	21,347	(8,124)	21,535	(79,538)
Cash and cash equivalents at beginning of period/year	59,025	66,684	58,383	138,253
Exchange adjustments	886	(177)	1,340	(332)
<b>Cash and cash equivalents at end of period/year</b>	<b>81,258</b>	<b>58,383</b>	<b>81,258</b>	<b>58,383</b>

Note:

1. Included in (increase)/decrease in inventories for Q4 FY2016 of RMB12.0 million (Q4 FY2015 : RMB11.0 million) and FY2016 of RMB45.9 million (FY2015 : RMB29.6 million) respectively, were towercranes and towercrane components and accessories that were self-constructed which were held for rental purposes and have been presented under operating activities in accordance with FRS 7.

	Group	
	RMB'000 31 Mar 2016	RMB'000 31 Mar 2015
<b>Analysis of cash and cash equivalents</b>		
Cash on hand	116	107
Bank balances	165,920	149,815
	166,036	149,922
Restricted bank balances	(84,778)	(91,539)
	81,258	58,383

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

Group	Share capital	Merger reserve	Statutory common reserve	Fair value reserve	Retained earnings	Exchange fluctuation reserve	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Current year:</b>									
<b>Balance as at 1 Apr 2015</b>	312,484	(26,769)	58,332	792	236,140	40	581,019	54,811	635,830
Total comprehensive (expense)/income for the period	-	-	-	-	(4,432)	965	(3,467)	533	(2,934)
Transfer to statutory common reserve	-	-	189	-	(189)	-	-	-	-
Dividends	-	-	-	-	(16,307)	-	(16,307)	(694)	(17,001)
<b>Balance as at 31 Dec 2015</b>	312,484	(26,769)	58,521	792	215,212	1,005	561,245	54,650	615,895
Total comprehensive income for the period	-	-	-	2,379	8,343	1,780	12,502	(567)	11,935
Transfer from statutory common reserve	-	-	(451)	-	451	-	-	-	-
<b>Balance as at 31 Mar 2016</b>	312,484	(26,769)	58,070	3,171	224,006	2,785	573,747	54,083	627,830

Group	Share capital	Merger reserve	Statutory common reserve	Fair value reserve	Retained earnings	Exchange fluctuation reserve	Total attributable to equity holders of the Company	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Current year:</b>									
<b>Balance as at 1 Apr 2014</b>	312,484	(26,769)	55,428	-	187,211	2,194	530,548	39,801	570,349
Total comprehensive income/(expense) for the period	-	-	-	-	55,961	(1,883)	54,078	12,211	66,289
Transfer to statutory common reserve	-	-	3,245	-	(3,245)	-	-	-	-
Dividends	-	-	-	-	(11,017)	-	(11,017)	-	(11,017)
<b>Balance as at 31 Dec 2014</b>	312,484	(26,769)	58,673	-	228,910	311	573,609	52,012	625,621
Total comprehensive income/(expense) for the period	-	-	-	792	6,889	(271)	7,410	2,799	10,209
Transfer from statutory common reserve	-	-	(1,536)	-	1,536	-	-	-	-
<b>Balance as at 31 Mar 2015</b>	312,484	(26,769)	57,137	792	237,335	40	581,019	54,811	635,830

Company	Share capital	Fair value reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Current year:</b>				
<b>Balance as at 1 Apr 2015</b>	312,484	792	111,957	425,233
Total comprehensive income for the period	-	-	50,785	50,785
Dividends	-	-	(16,307)	(16,307)
<b>Balance as at 31 Dec 2015</b>	312,484	792	146,435	459,711
Total comprehensive income for the period	-	2,379	115	2,494
<b>Balance as at 31 Mar 2016</b>	312,484	3,171	146,551	462,205

Company	Share capital	Fair value reserve	Retained earnings	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000
<b>Previous year:</b>				
<b>Balance as at 1 Apr 2014</b>	312,484	-	97,406	409,890
Total comprehensive income for the period	-	-	9,252	9,252
Dividends	-	-	(11,017)	(11,017)
<b>Balance as at 31 Dec 2014</b>	312,484	-	95,641	408,125
Total comprehensive income for the period	-	792	16,316	17,108
<b>Balance as at 31 Mar 2015</b>	312,484	792	111,957	425,233



- 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.**

On 23 November 2015, the Company completed a share consolidation exercise to consolidate every five (5) existing ordinary shares in the capital of the Company held by the shareholders into one (1) consolidated share. The issued share capital of the Company now comprises 88,749,997 consolidated shares, after disregarding any fractions of consolidated shares arising from the share consolidation exercise.

There was no change 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 in Q4 FY2016 or Q4 FY2015.

There was no outstanding convertible or treasury share as at 31 March 2016 (31 March 2015 – Nil).

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the end of the current financial period and as at the end of the immediately preceding year.**

	<b>31 March 2016</b>	<b>31 March 2015</b>
Total number of issued shares (excluding treasury shares)	88,749,997	443,750,000

- 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.**

There was no sale, transfer, disposal, cancellation and/or use of treasury shares as at 31 March 2016 (31 March 2015 – Nil).

- 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 Group has adopted the same accounting policies and method of computation as the audited financial statements for the financial year ended 31 March 2015 except that the Group has adopted all the new and revised FRS and INT FRS that are relevant to its operations and effective for annual periods beginning on 1 April 2015.

The adoption of these new or revised FRS and INT FRS did not result in substantial changes to the Group's accounting policies nor any significant impact on these financial statements.

- 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.**

Please refer to Paragraph 4 above.

**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.**

	Group (Fourth Quarter)		Group (Full Year)	
	RMB'000		RMB'000	
	3 months ended 31 Mar 2016 (Q4 FY2016)	3 months ended 31 Mar 2015 (Q4 FY2015) <i>Restated</i>	12 months ended 31 Mar 2016 (FY2016)	12 months ended 31 Mar 2015 (FY2015) <i>Restated</i>
Earnings of the Group, after deducting any provision for preference dividends (in RMB'000):	8,343	6,889	3,911	62,850
Weighted average no. of shares used in computation of basic earning per shares	88,749,997	88,749,997	88,749,997	88,749,997
Earnings per share (in cents RMB)				
(a) Based on weighted average number of ordinary shares on issue	9.40	7.76	4.41	70.82
(b) On a fully diluted basis	9.40	7.76	4.41	70.82

Earnings per ordinary share on existing issued share capital is computed based on the weighted average number of shares in issue of 88,749,997 (after share consolidation exercise) for both periods.

There is no difference between the basic and diluted earnings per share

**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 Mar 2016	31 Mar 2015 <i>Restated</i>	31 Mar 2016	31 Mar 2015 <i>Restated</i>
Net asset value per ordinary share (RMB cents)	646.48	654.67	520.79	479.14

The Group and the Company's net assets value per ordinary share for the periods have been computed based on the revised number of shares of 88,749,997 (after share consolidation exercise).

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

## **REVIEW OF INCOME STATEMENT OF THE GROUP**

### **Fourth Quarter FY2016 ("Q4 FY2016") vs Fourth Quarter FY2015 ("Q4 FY2015")**

#### **Revenue**

Group revenue decreased 31.5% to RMB116.5 million in Q4 FY2016 as compared to RMB170.1 million in Q4 FY2015. Sales in the PRC decreased by 44.1% as a result of the on-going property slump as well as the general slowdown in investment growth in the PRC. Sales in Asia (outside the PRC) decreased by 22.9% mainly due to decrease in rental revenue contribution following the completion of various casino projects in Macau. Sales in the USA, Europe and Middle East decreased by 17.5% in Q4 FY2016 as compared to Q4 FY2015 due to uncertainty in global economy.

Asia (outside the PRC) sales and PRC sales still formed the majority of the group revenue with 38.6% and 37.2% for Q4 FY2016 respectively.

#### **Gross profit and gross profit margin**

Gross profit decreased 32.6% to RMB37.2 million in Q4 FY2016 from RMB55.1 million in Q4 FY2015. The decrease was due to lower revenue in Q4 FY2016.

Average gross profit margin slightly decreased to 31.9% in Q4 FY2016 from 32.4% in Q4 FY2015. The decrease was attributable to lower rental income from Macau operations which generates higher gross margin, offset by higher margin generated from luffing series towercranes.

#### **Other income**

Other income increased to RMB5.3 million in Q4 FY2016 as compared to RMB0.5 million in Q4 FY2015 was mainly contributed from a one-off interest income and gain on disposal of property, plant and equipment in Q4 FY2016.

#### **Operating expenses**

Total operating expenses decreased 22.8% to RMB32.9 million in Q4 FY2016 as compared to RMB42.6 million in Q4 FY2015.

Distribution costs decreased 18.0% to RMB11.7 million in Q4 FY2016 as compared to RMB14.2 million in Q3 FY2015 mainly due to lower freight and transportation charges as a result of lower sales and lower staff cost, arising from lower number of employee.

Administrative expenses increased 25.7% to RMB20.1 million in Q4 FY2016 as compared to RMB16.0 million in Q4 FY2015 largely due to bonus expense paid out in Q4 FY2016 previously not accrued for.

Other operating expenses reported a credit balance of RMB3.0 million in Q4 FY2016. In Q4 FY2015, a debit balance of RMB7.5 million was reported. The credit balance of other operating expenses was mainly attributed to a reversal of provision for doubtful debts no longer required of RMB1.7 million reported in Q4 FY2016 as compared to provision of doubtful debts of RMB6.9 million in Q4 FY2015. In additions, Q4 FY2016 reported a higher foreign exchange gain of RMB1.6 million as compared to RMB1.1 million in Q4 FY2015.

The exchange gain arose mainly from:

- a) the strengthening of Chinese Yuan ("RMB") against United States Dollars ("USD") due to net USD liabilities reported in the Group: offset by
- b) the weakening of Singapore Dollars ("SGD") against RMB due to net SGD assets reported in the Group.

In line with the lower effective interest rate, finance costs decreased 15.4% to RMB4.2 million in Q4 FY2016 as compared to RMB5.0 million in Q4.

#### **Taxation**

Income tax expense decreased 16.1% to RMB2.7 million in Q4 FY2016 as compared to RMB3.2 million in Q4 FY2015 in line with the lower profit of certain profit-making subsidiaries, offset by nil tax provision for certain loss-making subsidiaries for the financial period.

### **Profit before taxation and Net profit attributable to equity holders of the Company**

Profit before taxation decreased 26.9% to RMB9.5 million in Q4 FY2016 from RMB13.0 million in Q4 FY2015 mainly due to lower revenue resulting in lower gross profit for the financial period, partly offset by lower operating expenses.

In line with lower profit before taxation, net profit for the period decreased by 30.4% to RMB6.8 million in Q4 FY2016 from RMB9.8 million in Q4 FY2015.

Net profit attributable to equity holders of the Company increased 21.1% to RMB8.3 million in Q4 FY2016 from RMB9.8 million in Q4 FY2015 despite lower profit after tax reported. This was mainly caused by higher losses attributable to non-controlling interest in our 66% owned subsidiary, Beijing Yongmao, partly offset by profit before taxation as explained above.

### **FY2016 vs FY2015**

#### **Revenue**

Group revenue decreased 41.9% to RMB455.0 million in FY2016, as compared to RMB783.0 million in FY2015. Market demand decreased in Asia including the PRC, in particular to PRC market where sales decreased by 65.8% as a result of weaker domestic demand arising from sluggish PRC market conditions contributed in part by the ongoing property slump and general slowdown in investment growth. The decline in PRC sales was also partly due to deferred sales of RMB31.2 million in Q1 FY2016 which will only be recognised over three to four years (see Note on deferred income under "Current Liabilities"). Asia (outside the PRC) sales also decreased by 23.6% as the rental revenue contribution from Macau operations was lower following the completion of various casino projects.

Following the decline in the PRC sales, Asia (outside the PRC) formed bulk of the sales at 45.8% in FY2016 as compared to 34.8% in FY2015.

Our products demand in the USA, Europe and Middle East decreased by 6.7%.

#### **Gross profit and gross profit margin**

Gross profit decreased 42.5% to RMB141.0 million in FY2016 from RMB245.4 million in FY2015 in line with the decrease in revenue. In addition, the decrease in gross profit was due to accounting recognition of unrealised profits of RMB14.5 million in Q1 FY2015 from previous sale of towercranes and towercrane accessories to associated companies. This was realised upon disposal of the associated companies in accordance with FRS 28 - Investments in Associates and Joint Ventures (see also Paragraph 8 – Other income below).

Average gross profit margin decreased slightly to 31.0% in FY2016 from 31.3% in FY2015. The decrease was attributable to lower rental income which generates higher gross margin, partly offset by changes in product mixed with higher percentage sales reported for Luffing series towercranes which generates higher profit margin.

#### **Other income**

Other income decreased to RMB7.9 million in FY2016 as compared to RMB15.2 million in FY2015. The decrease was mainly due to one-time gain on restructuring of RMB12.1 million which was recognised in Q1 FY2015 upon the completion of the Restructuring with Tat Hong Holdings Ltd per our announcement dated 30 April 2014. The decrease was offset by increase in interest income and compensation income received from a customer.

#### **Operating expenses**

Total operating expenses decreased 13.6% to RMB144.6 million in FY2016 as compared to RMB167.5 million in FY2015.

Distribution costs decreased 21.2% to RMB46.2 million in FY2016 as compared to RMB58.6 million in FY2015. This is mainly due to lower freight and transportation charges as a result of lower sales, lower entertainment cost and lower staff cost resulted from lower number of employee and lower bonus accruals. The above is partly offset by higher sales service expenses.

Administrative expenses decreased 4.7% to RMB74.9 million in FY2016 as compared to RMB78.6 million in FY2015 largely due to higher entertainment and transportation expenses incurred in participation in the bi-annual Bauma China 2014 exhibition in Q3 FY2015. The decrease is further explained by lower staff cost resulted from lower number of staff and lower bonus accruals and lower office related expense.

Other operating expenses decreased to RMB2.9 million in FY2016 from RMB8.9 million reported in FY2015. This was mainly due to lower provision for doubtful debts and lower bank charges. In addition, FY2016 reported a marginal exchange gain as compared to an exchange loss in FY2015.

Finance costs decreased by 3.3% to RMB20.7 million in FY2016 as compared to RMB21.4 million in FY2015 with lower effective interest rate offset by higher average borrowings.

**Taxation**

Income tax expense decreased 86.0% to RMB2.1 million in FY2016 as compared to RMB15.1 million in FY2015 in line with the lower profit of certain profit-making subsidiaries, offset by nil tax provision for certain loss-making subsidiaries for the financial year.

**Profit before taxation and Net profit attributable to equity holders of the Company**

The Group reported profit before taxation of RMB4.4 million in FY2016 as compared to profit before tax of RMB93.0 million in FY2015 was mainly due to:

- a) significant drop in revenue;
- b) one time gain recognized in Q1 FY2015 upon completion of the Restructuring with Tat Hong Holdings Ltd:
  - gain on restructuring of RMB12.0 million; and
  - unrealised profits of RMB14.5 million from sales of towercranes and towercranes accessories to associated companies recognized; partly offset by
- c) lower operating expenses

In line with lower profit before taxation, net profit for the year decreased by 97.0% to RMB2.3 million in FY2016 from RMB77.9 million in FY2015.

Net profit attributable to equity holders of the Company recorded at RMB3.9 million in FY2016 as compared to net profit attributable to equity holders of the Company of RMB62.9 million in FY2015 was mainly due to profit before taxation as explained above, partly offset by higher losses attributable to non-controlling interest in our 66% owned subsidiary, Beijing Yongmao.

**REVIEW OF FINANCIAL POSITION OF THE GROUP****Non-current Assets**

Non-current assets increased by RMB19.6 million to RMB564.6 million as at 31 March 2016 mainly due to higher deferred costs and additions in property, plant and equipment, partly offset by depreciation expenses charged for the financial year.

Deferred costs related to the corresponding non-current portion cost of sales relating to revenue deferred (See Note on deferred income below).

Deferred tax assets arose mainly from deferred income, provisions and elimination of unrealised profits in intragroup sales.

**Current Assets**

Current assets decreased by RMB27.8 million to RMB869.3 million as at 31 March 2016 mainly due to lower trade and other receivables offset by higher inventories and cash and cash equivalents (see Note on Review on Cash Flow Statement below).

Trade and other receivables decreased by RMB77.2 million mainly due to decrease in trade receivables in line with lower sales and repayment from customer. Certain repayments was made by mean of hire purchase arrangement with financial institution which resulted in higher deferred income reported during the financial period in accordance with the Group's revenue recognition policy (See Note on deferred income below).

Inventories increased by RMB17.3 million for delivery due in first quarter FY2017.

Deferred costs related to the corresponding current portion cost of sales relating to revenue deferred (See Note on deferred income below).

**Non-current Liabilities**

Non-current liabilities increased by RMB2.3 million to RMB64.8 million as at 31 March 2016 mainly due to higher deferred income (See Note on deferred income below), partly offset by lower borrowings.

**Current Liabilities**

Current liabilities decreased by RMB2.5 million to RMB741.3 million as at 31 March 2016 mainly due to repayment to trade and other payables, partly offset by higher borrowings and advances from related parties.

Deferred income included RMB30.3 million of revenue deferred due to uncertainty in the timing of the consideration for the delivery of goods made to the customer. Owing to the uncertainty, the amount of the unpaid sum owed by the customer to the financial institution is deferred and recognised as revenue when the uncertainty is removed. The deferred costs, as mentioned under non-current and current assets above, related to the amount carried in the statement of financial position to the extent that revenue has been deferred. The increase in deferred income, from RMB17.2 million as at 31 March 2015, was mainly due to the increase in such deferred sales partly offset by repayment by customers to financial institutions.

Trade and other payables decreased by RMB55.6 million mainly due to lower trade and bills payables in line with lower purchases.

### **Total Equity**

As at 31 March 2016, the Group's total equity amounted to RMB627.8 million. The decrease was mainly due to dividend paid, partly offset by lower net profit of RMB2.3 million and other comprehensive income of RMB6.7 million for FY2016.

## **REVIEW OF CASH FLOW STATEMENT**

### **Q4 FY2016 vs Q4 FY2015**

The Group reported a net increase in cash and cash equivalents amounting to RMB21.3 million in Q4 FY2016 mainly due to:

- a) Net cash used in operating activities in Q4 FY2016 of RMB12.7 million resulted mainly from operating profit before working capital changes, increase in operating payables, partly offset by increase in inventories and increase in operating receivables, partly offset by increase in operating payables;
- b) Net cash generated from investing activities of RMB1.8 million mainly from interest received, partly offset by purchases of machinery; and
- c) Net cash generated from financing activities of RMB32.2 million mainly from net proceeds of bank borrowings and advances from a related party, offset by prepayment of finance lease creditors and higher restricted bank balances.

### **FY2016 vs FY2015**

The Group reported a net increase in cash and cash equivalents amounting to RMB21.5 million in FY2016 mainly due to:

- a) Net cash used in operating activities in FY2016 of RMB1.5 million mainly from operating profit before working capital changes, net collections from operating receivables and decrease in deferred income, offset by net repayment to operating payables, increase in inventories and increase in deferred cost;
- b) Net cash used in investing activities of RMB4.8 million from purchases of machinery and payment for land use rights in the PRC, Fushun City, partly offset by interest received and grants obtained from government;
- c) Net cash generated from financing activities of RMB27.9 million mainly from net proceeds from bank borrowing, advances from a related party and lower restricted bank balances, partly offset by payment to finance lease creditors and dividend paid in Q2 2016.

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

NA.

### **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.**

The PRC economy slowed to a GDP growth of 6.7 percent in the first quarter of calendar year 2016 contributed by the slowdown in the economic growth.

With China rebalancing its economy from an investment-driven growth to a consumption-based growth, the investment slowdown has affected key pillars of the economy such as the property and construction market. This will continue to have a negative impact on the domestic demand for construction equipment including towercranes in the PRC.

Demand for towercranes in other overseas markets is mixed with markets such as Taiwan and Australia likely to see increase in construction activities whereas markets like Singapore and Macau remain challenging.

In light of the present weaker China economy and less than favorable global market conditions, the Group views that the overall business environment for the next 12 months will remain challenging.

**11. Dividend****(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on?

No dividend has been declared or recommended for the Q4 FY2016.

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

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

Yes.

<b>Name of Dividend</b>	<b>Final</b>	<b>Special</b>	<b>Total</b>
Dividend Type	Cash	Cash	Cash
Amount per Share (in Singapore cents)	0.60 cents per ordinary share	0.20 cents per ordinary share	0.80 cents per ordinary share
Tax Rate	Tax exempt (One-tier)	Tax exempt (One-tier)	Tax exempt (One-tier)

For the financial year ended 31 March 2015, the directors have recommended a final tax exempt (one-tier) dividend of 0.60 Singapore cent per share and a special tax exempt (one-tier) dividend of 0.20 Singapore cent per share which was subsequently approved at the Annual General Meeting held on 27 July 2015. Based on number of shares of 443,750,000 ordinary shares, total dividend paid amounted to S\$3,550,000.

**(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 the 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.**

**Interested Persons Transactions**

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) Full Year ended 31 Mar 2016 (FY2016) RMB'000	Aggregate value of all interested person transactions conducted during the financial year under review under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) Full Year ended 31 Mar 2016 (FY2016) RMB'000
<b>Sales to related parties</b>		
China Nuclear Huaxing Tat Hong Machinery Construction Co., Ltd. (中核华兴达丰机械租赁有限公司)	-	1,750
Jiangsu Hengxingmao Financial Leasing Co., Ltd. (江苏恒兴茂融资租赁有限公司)	-	37,810
Beijing Tat Hong Zhaomao Equipment Rental Co., Ltd. (北京达丰兆茂机械租赁有限公司)	-	705
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	1,897	-
Liaoning Yongmao Hydraulic Machinery Co., Ltd (辽宁永茂液压机械有限责任公司)	535	-
<b>Purchases from related parties</b>		
Beijing Weiteng Special Purpose Auto Co., Ltd. (北京威腾专用汽车有限责任公司)	-	2,313
<b>Rental fee charged by a director of the Company</b>		
Sun Tian (孙田)	810	-
<b>Rental fee charged by ultimate holding Company</b>		
Sun & Tian Investment Pte. Ltd.	482	-
<b>Sales of property, plant and equipment to a related parties</b>		
Liaoning Yongmao Hydraulic Machinery Co., Ltd (辽宁永茂液压机械有限责任公司)	466	-



**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.****Operating segments**

Management manages and monitors the business in the two primary geographical areas of operations namely, 1) the PRC and 2) Hong Kong and Macau. The following summary describes the operations in each of the Group's reportable operating segments:

The PRC	:	Engaged predominantly in the manufacture and sale, with some rental and servicing of towercranes and towercrane components and accessories
Hong Kong and Macau	:	Engaged predominantly in the rental and servicing, with some sale of towercranes and towercrane components and accessories

All other segments included corporate functions and the sale and servicing of towercranes and towercrane components and accessories in Singapore.

	The PRC RMB'000	Hong Kong and Macau RMB'000	All other segments RMB'000	Total RMB'000
<b>2016</b>				
<b>Sales</b>				
Total segment sales	480,285	95,924	91,652	667,861
Inter-segment sales	(216,538)	3,628	-	(212,910)
Sales to external parties	263,747	99,552	91,652	454,951
Reportable segment (loss)/profit before income tax	(10,339)	12,956	1,824	4,441
<b>2015</b>				
<b>Sales</b>				
Total segment sales	817,558	155,330	70,297	1,043,185
Inter-segment sales	(261,747)	1,531	-	(260,216)
Sales to external parties	555,811	156,861	70,297	782,969
Reportable segment profit before income tax	45,937	44,769	2,265	92,971

Revenue information based on geographical location of customers is as follows:

Revenue	Middle East & Others RMB'000	Asia (outside the PRC) RMB'000	USA & Europe RMB'000	PRC RMB'000	Consolidated RMB'000
<b>FY2016</b>					
- Q4	16,627	45,004	11,544	43,357	116,532
- Full Year	68,065	208,442	45,834	132,610	454,951
<b>FY2015</b>					
- Q4	21,414	58,364	12,742	77,626	170,146
- Full Year	74,690	272,770	47,449	388,060	782,969

**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.**

See Paragraph 8.

**16. A breakdown of sales and profit after taxation**

	Group		% Increase/ (Decrease)
	RMB'000		
	FY2016	FY2015	
Revenue			
- First Half <sup>1</sup>	212,690	449,064	(52.6)
- Second Half	242,261	333,905	(27.4)
(Loss)/profit after taxation			
- First Half <sup>1</sup>	(7,309)	55,817	NM
- Second Half	9,633	22,033	(56.3)

Note:

- Mainly due to decrease in the PRC sales as a result of weaker domestic demand due to the ongoing property slowdown in many PRC cities.

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

	Latest Full Year (S\$)	Previous Full Year (S\$)
<b>Ordinary</b>	3,550,000	2,218,750
<b>Preference</b>	-	-
<b>Total:</b>	3,550,000	2,218,750

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). If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Sun Zhao Lin	60	Father of Sun Tian and spouse of Tian Ruo Nan	Executive Chairman, 2005  Responsible for the formulation and execution of overall business strategy and policies and future direction as well as the overall management of the Group.	N.A.
Tian Ruo Nan	60	Spouse of Sun Zhao Lin and mother of Sun Tian	Chief Executive Officer, 2007  Responsible for and oversees the day-to-day management of the Group.	N.A.
Sun Tian	34	Son of Sun Zhao Lin and Tian Ruo Nan	Executive Director, 2009  Group General Manager, 2012 Assist the Chief Executive Officer in the management of Group's business.	N.A.
Tian Cheng Tian	58	Brother-in-law of Sun Zhao Lin and brother of Tian Ruo Nan	Purchasing Manager, 2001  Responsible for the sourcing of and purchase of raw materials for the Group's manufacturing operations.	N.A.
Tian Hao	35	Nephew of Sun Zhao Lin and Tian Ruo Nan	Sales Manager of Beijing Yongmao, 2006  Responsible for the sales and marketing operations of Beijing Yongmao.	N.A.

19. **Confirmation of Undertakings of Directors and Executive Officers Pursuant to Rule 720(1) of the Listing Manual**

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Tian Ruo Nan  
Chief Executive Officer  
25 May 2016