Northern New Energy Holdings Limited
（北方新能源控股有限公司）

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 8246)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the "Directors") of Northern New Energy Holdings Limited (the"Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this announcement misleading.

The board of Directors (the "Board") is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2015 (the "Current Year") together with the comparative audited figures for the corresponding year ended 31 December 2014 (the "Previous Year") as follows:

FINANCIAL HIGHLIGHTS	**2015**	2014	Increase
	RMB'000	*RMB'000*	
Revenue	**162,508**	74,810	117.2%
Gross profit[(a)]	**90,864**	46,283	96.3%
Profit (loss) and total comprehensive income (expense) for the year	**21,332**	(34,050)	162.6%
Profit (loss) and total comprehensive income (expense) attributable to owners of the Company	**18,369**	(32,243)	157.0%
Dividend	**Nil**	Nil	
EBIT	**32,479**	(34,050)	195.4%
EBITDA	**36,228**	(30,160)	220.1%
Earnings (loss) per share			
Basic	**RMB0.047**	RMB(0.113)	141.6%
Diluted	**RMB0.046**	RMB(0.113)	140.7%
	As at 31.12.2015	As at 31.12.2014	Increase
Total assets	**211,369**	72,551	191.3%
Bank balances and cash	**124,950**	37,207	235.8%
Equity attributable to owners of the Company	**113,987**	27,354	316.7%

KEY FINANCIAL INDICATORS	**2015**	2014
Current ratio (times)[(b)]	**2.1**	1.2
Gross profit margin[(c)]	**55.9%**	61.9%
Net gearing ratio[(d)]	**2.4%**	18.7%
Net profit (loss) margin[(e)]	**13.1%**	(45.5%)
Return on average equity[(f)]	**26.0%**	(129.5%)

Notes:

(a) The calculation of gross profit is based on revenue minus cost of inventories consumed included inventories costs from Catering business and engineering and construction costs related to the New energy business.

(b) The calculation of current ratio is based on current assets divided by current liabilities.

(c) The calculation of gross profit margin is based on gross profit divided by revenue.

(d) The calculation of net gearing ratio is based on total debt divided by total equity.

(e) The calculation of net profit (loss) margin is based on profit (loss) for the year divided by revenue.

(f) The calculation of retun on average equity is based on profit attributable to owners of the Company divided by average equity attributable to equity holder of the Company.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	NOTES	**2015** ***RMB'000***	2014 *RMB'000*
Revenue	*3*	**162,508**	74,810
Other income	*4*	**1,246**	1,630
Other gains and losses	*5*	**8,402**	(3,802)
Cost of inventories consumed		**(71,644)**	(28,527)
Staff costs		**(28,975)**	(35,750)
Depreciation of property, plant and equipment		**(3,749)**	(3,890)
Utilities and consumables		**(3,371)**	(3,951)
Rental and related expenses		**(16,343)**	(20,627)
Advertising and marketing expenses		**(832)**	(991)
Other expenses		**(13,581)**	(12,493)
Gain on liquidation of a subsidiary		**933**	–
Impairment loss recognised on inventories		**(2,115)**	(84)
Share of results of associates		**–**	(375)
Profit (loss) before tax	*6*	**32,479**	(34,050)
Income tax expense	*7*	**(11,147)**	–
Profit (loss) and total comprehensive income (expense) for the year		**21,332**	(34,050)
Profit (loss) and total comprehensive income (expense) attributable to:			
Owners of the Company		**18,369**	(32,243)
Non-controlling interests		**2,963**	(1,807)
		21,332	(34,050)
Earnings (loss) per share	*9*		
Basic		**RMB0.047**	RMB(0.113)
Diluted		**RMB0.046**	RMB(0.113)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	NOTES	**2015** **RMB'000**	2014 *RMB'000*
Non-current assets			
Property, plant and equipment		**9,050**	11,849
Investment property		**5,124**	–
Goodwill		**–**	–
Rental deposits		**2,479**	2,068
Interest in an associate		**–**	–
Amount due from an associate		**–**	–
		16,653	13,917
Current assets			
Inventories		**5,971**	11,260
Trade and other receivables	*10*	**63,795**	10,167
Bank balances and cash		**124,950**	37,207
		194,716	58,634
Current liabilities			
Trade and other payables	*11*	**52,410**	18,312
Prepayment from customers		**19,598**	20,408
Amounts due to Directors		**–**	5,104
Amount due to a shareholder		**2,740**	–
Amounts due to related parties		**2,559**	–
Amount due to a non-controlling shareholder of a subsidiary		**700**	–
Tax liabilities		**15,685**	4,081
		93,692	47,905
Net current assets		**101,024**	10,729
Net assets		**117,677**	24,646
Capital and reserves			
Share capital		**3,470**	2,735
Reserves		**110,517**	24,619
Equity attributable to owners of the Company		**113,987**	27,354
Non-controlling interests		**3,690**	(2,708)
Total equity		**117,677**	24,646

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Attributable to owners of the Company							
	Share capital *RMB'000*	Share premium *RMB'000*	Share option reserve *RMB'000*	(Accumulated losses) retained profit *RMB'000*	Special reserve *RMB'000*	Total *RMB'000*	Non-controlling interests *RMB'000*	Total *RMB'000*
At 1 January 2014	2,291	31,076	–	(11,464)	528	22,431	(901)	21,530
Loss and total comprehensive expenses for the year	–	–	–	(32,243)	–	(32,243)	(1,807)	(34,050)
Issue of new shares	444	28,407	–	–	–	28,851	–	28,851
Cost of issuing new shares	–	(33)	–	–	–	(33)	–	(33)
Recognition of equity-settled share-based payments	–	–	8,348	–	–	8,348	–	8,348
At 31 December 2014	2,735	59,450	8,348	(43,707)	528	27,354	(2,708)	24,646
Profit and total comprehensive income for the year	–	–	–	18,369	–	18,369	2,963	21,332
Exercise of share options	104	12,137	(3,797)	–	–	8,444	–	8,444
Issue of new shares	631	59,353	–	–	–	59,984	–	59,984
Cost of issuing new shares	–	(164)	–	–	–	(164)	–	(164)
Liquidation of a subsidiary	–	–	–	–	–	–	1,635	1,635
Capital contribution from non-controlling interest of a subsidiary	–	–	–	–	–	–	1,800	1,800
Cancellation of share premium (i)	–	(130,776)	–	130,776	–	–	–	–
At 31 December 2015	3,470	–	4,551	105,438	528	113,987	3,690	117,677

Note:

(i) Pursuant to the Board resolution dated on 9 November 2015, the Board resolved to apply credits in the share premium account in the amount of RMB130,776,000 to set-off accumulated losses of the Company. Under the Companies Law of the Cayman Islands, the share premium account may be applied by the Company subject to the provisions, if any, of its memorandum or articles of association in such manner as the Company may, from time to time, determine. Provided that no distribution or dividend may be paid to members out of the share premium account unless, immediately following the date on which the distribution or dividend is proposed to be paid, the Company shall be able to pay its debts as they fall due in the ordinary course of business. Under the Articles of Association of the Company, the Board of the Company is empowered to apply the share premium account in any manner permitted by the Companies Law of Cayman Islands.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. GENERAL

The Company is an exempted company with limited liability incorporated in the Cayman Islands. The Company's shares are listed on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and the principal place of business is Room 2202, 22/F, Chinachem Century Tower, 178 Gloucester Road, Wanchai, Hong Kong.

The Company is an investment holding company. The Group's business of operation of restaurants and sales of processed food and seafood in the PRC and Hong Kong has largely remains the same for the year ended 31 December 2015. In addition, the Group expanded its principle business activities to include new energy development business, research and development on its relevant technologies and construction engineering and property investment.

The consolidated financial statements are presented in Renminbi ("RMB"), which is also the Company's functional currency.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRSs")

Application of new and revised IFRSs

The Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board for the first time in the current year:

Amendments to IAS 19	Defined Benefit Plans: Employee Contributions
Amendments to IFRSs	Annual Improvements to IFRSs 2010 – 2012 Cycle
Amendments to IFRSs	Annual Improvements to IFRSs 2011 – 2013 Cycle

The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and revised IFRSs in issue but not yet effective

The Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments[1]
IFRS 14	Regulatory Deferral Accounts[2]
IFRS 15	Revenue from Contracts with Customers[1]
IFRS 16	Leases[3]
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations[4]
Amendments to IAS 1	Disclosure Initiative[4]
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[4]
Amendments to IFRSs	Annual Improvements to IFRSs 2012 - 2014 Cycle[4]
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants[4]
Amendments to IAS 7	Disclosure Initiative[6]
Amendments to IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses[6]
Amendments to IAS 27	Equity Method in Separate Financial Statements[4]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment Entities: Applying the Consolidation Exception[4]

[1] Effective for annual periods beginning on or after 1 January 2018
[2] Effective for first annual IFRS financial statements beginning on or after 1 January 2016
[3] Effective for annual periods beginning on or after 1 January 2019
[4] Effective for annual periods beginning on or after 1 January 2016
[5] Effective for annual periods beginning on or after a date to be determined
[6] Effective for annual periods beginning on or after 1 January 2017

IFRS 9 Financial Instruments

IFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- all recognised financial assets that are within the scope of IAS 39 *Financial Instruments: Recognition and Measurement* are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss;

- with regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss;

- in relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised; and

- the new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an "economic relationship". Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The Directors anticipate that the application of IFRS 9 in the future may have a material impact on the amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

IFRS 15 *Revenue from Contracts with Customers*

In May 2014, IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The Directors anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

IFRS 16 Leases

IFRS 16 issued in January 2016 specifies how to recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recongise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

The Directors of the Company anticipate that the application of IFRS 16 in the future may have a material impact on the amounts reported and disclosure made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 16 until the Group performs a detailed review.

Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The amendments should be applied prospectively to transactions occurring in annual periods beginning on or after 1 January 2016. The Directors anticipate that the application of these amendments to IFRS 10 and IAS 28 may have an impact on the Group's consolidated financial statements in future periods should such transactions arise. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 10 and IAS 28 until the Group performs a detailed review.

Annual Improvements to IFRSs 2012 – 2014 Cycle

The *Annual Improvements to IFRSs 2012 – 2014 Cycle* include a number of amendments to various IFRSs, which are summarised below.

The amendments to IFRS 5 introduce specific guidance in IFRS 5 for when an entity reclassifies an asset (or disposal group) from held for sale to held for distribution to owners (or vice versa). The amendments clarify that such a change should be considered as a continuation of the original plan of disposal and hence requirements set out in IFRS 5 regarding the change of sale plan do not apply. The amendments also clarify the guidance for when held-for-distribution accounting is discontinued.

The amendments to IFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of the disclosures required in relation to transferred assets.

The amendments to IAS 19 clarify that the rate used to discount post-employment benefit obligations should be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. The assessment of the depth of a market for high qualify corporate bonds should be at the currency level (i.e. the same currency as the benefits are to be paid). For currencies for which there is no deep market in such high quality corporate bonds, the market yields at the end of the reporting period on government bonds denominated in that currency should be used instead.

The Directors do not anticipate that the application of these amendments will have a material effect on the Group's consolidated financial statements.

Except as described above, the Directors anticipate the application of the other new and revised IFRSs will have no material impact on the Group's consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Existing businesses

The Group owned and operated seven restaurants under the Group's own brand name "Noble House" in Shanghai, Qingdao and Beijing in the PRC ("Operation of restaurants"). The Group also operated a restaurant in Ningbo in the form of an associate. In June 2015, the Group closed down an underperforming restaurant in Qingdao, the PRC. Apart from these restaurants, the Group operated a food trading company, Shanghai Yin Jia Food Products Company Limited ("Yin Jia"), which was primarily established to provide food production services to the Group's restaurants. In addition, Yin Jia engaged in the trading of seafood and supplemental food products under the Group's own brand name "Noble House" for supply to the Group's restaurants and retails shops in Shanghai and Hong Kong ("Sales of processed food and seafood"). The Operation of restaurants and the Sales of processed food and seafood are collectively referred to as the "Catering business".

New businesses

(i) On 8 September 2015, the Group has established a subsidiary in Tianjin in the PRC, Hua Xia Northern New Energy Technology Development (Tianjin) Limited ("Hua Xia Northern New Energy") with 90% equity interest. Hua Xia Northern New Energy is principally engaged in engineering and construction works related to New energy business ("New energy business"). During the year, Hua Xia Northern New Energy signed several supply agreements with two professional engineering and construction companies engaged in new energy related businesses and main contractors engaging in engineering and construction works related to New energy business respectively.

(ii) The Group's business is further diversified into property investment upon the acquisition of a property located in Shanghai, the PRC and rental income is generated to the Group during the year ended 31 December 2015 ("Property investment").

For the year ended 31 December 2014, the information reported to the chief operating decision maker, for the purpose of resource allocation and assessment of performance was prepared according to the geographical location of restaurants. Hence, the Group's reportable and operating segments, based on geographical location of the restaurants and stores in the PRC and Hong Kong, were as set out below.

(i) Shanghai – operation of five restaurants, providing management services to restaurants owned by independent third parties and restaurants of the Group, operating a food processing plant and one processed food and seafood store,
(ii) Beijing – operation of one restaurant,
(iii) Qingdao – operation of one restaurant,
(iv) Hong Kong – operation of one processed food and seafood store.

For the year ended 31 December 2015, the information reported to the executive Directors, for the purposes of resource allocation and performance assessment are changed as follows:

(i) **Catering business** – represented the gross revenue from the Operation of restaurants located in Shanghai and Beijing, the PRC, and the management services rendered to restaurants owned by the independent third parties and restaurants of the Group and the gross revenue from the operation of a food processing plant and seafood stores located in Shanghai and Hong Kong.

(ii) **New energy business** – represented the gross revenue from New energy business in Tianjin, the PRC.

(iii) **Property investment** – represented property rental income generated from an investment property located in Shanghai, the PRC.

Revenue from each type of business for the years ended 31 December 2015 and 2014 are as follow:

Types of revenue

	2015	2014
	RMB'000	*RMB'000*
Catering business	**76,458**	74,810
New energy business	**85,990**	–
Property investment	**60**	–
	162,508	74,810

Segment information is presented below.

Year ended 31 December 2015

	Catering business	**New energy business**	**Property investment**	**Segment total**	**Total**
	RMB'000	***RMB'000***	***RMB'000***	***RMB'000***	***RMB'000***
REVENUE					
External sales	**76,458**	**85,990**	**60**	**162,508**	**162,508**
RESULT					
Segment result	**(11,992)**	**45,213**	**2**	**33,223**	**33,223**
Unallocated corporate expenses					**(10,761)**
Impairment loss recognised on amounts due from associates					**(163)**
Recovery of allowance on amount due from a former associate					**3,976**
Gain on liquidation of a subsidiary					**933**
Imputed interest income on advances to an associate					**463**
Net foreign exchange gain					**4,808**
Profit before tax					**32,479**

Year ended 31 December 2014

	Catering business	New energy business	Property investment	Segment total	Total
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
REVENUE					
External sales	74,810	–	–	74,810	74,810
RESULT					
Segment result	(18,104)	–	–	(18,104)	(18,104)
Unallocated corporate expenses					(13,665)
Impairment loss recognised on amounts due from associates					(2,281)
Gain on disposal of interest in an associate					200
Share of results of associates					(375)
Imputed interest income on amounts due from associates					537
Net foreign exchange loss					(362)
Loss before tax					(34,050)

Other segment information

Year ended 31 December 2015

	Catering business *RMB'000*	New energy business *RMB'000*	Property investment *RMB'000*	Unallocated *RMB'000*	Total *RMB'000*
Amounts included in the measure of segment profit or loss:					
Impairment loss recognised on trade receivables	**134**	**–**	**–**	**–**	**134**
Reversal of impairment loss recognised on trade and other receivables	**(751)**	**–**	**–**	**–**	**(751)**
Depreciation of property, plant and equipment	**3,209**	**88**	**–**	**452**	**3,749**
Loss on disposal of property, plant and equipment	**813**	**–**	**–**	**23**	**836**
Impairment loss recognised on inventories	**(2,115)**	**–**	**–**	**–**	**(2,115)**
Interest income	**(17)**	**(12)**	**(1)**	**(1)**	**(31)**

Year ended 31 December 2014

	Catering business *RMB'000*	New energy business *RMB'000*	Property investment *RMB'000*	Unallocated *RMB'000*	Total *RMB'000*
Amounts included in the measure of segment profit or loss:					
Impairment loss recognised on trade receivables	1,123	–	–	–	1,123
Depreciation of property, plant and equipment	3,890	–	–	–	3,890
Loss on disposal of property, plant and equipment	236	–	–	–	236
Interest income	(34)	–	–	–	(34)

The accounting policies of the operating segments are the same as the Group's accounting policies described. Segment profit (loss) represents the profit (loss) generated by each segment without allocation of the expenses incurred by the Group's head office. This is the measure reported to the executive Directors of the Company for the purpose of resource allocation and performance assessment.

As information on the Group's segment assets and liabilities are not regularly provided to the executive Directors of the Company, segment assets and liabilities are not presented.

Geographical information

The Group's operations are located in the PRC and Hong Kong. Information about the Group's revenue from external customers and all of its non-current assets (excluding financial assets) are presented based on the geographical locations of the customers and assets respectively.

	Revenue from external customers Year ended		Non-current assets	
	31.12.2015	31.12.2014	**31.12.2015**	31.12.2014
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
PRC	**162,508**	74,511	**15,026**	11,845
Hong Kong	**–**	299	**1,627**	2,072
	162,508	74,810	**16,653**	13,917

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

	2015	2014
	RMB'000	*RMB'000*
Customer A (New energy business)	**56,980**	–

There was no revenue from a single customer contributing over 10% of total revenue of the Group for the year ended 31 December 2014.

4. OTHER INCOME

	2015	2014
	RMB'000	*RMB'000*
Government subsidy [(ii)]	**750**	950
Imputed interest income on advances to associates	**463**	537
Interest income	**31**	34
Others	**2**	109
	1,246	1,630

Note:

(ii) During the year ended 31 December 2015, a PRC subsidiary received approximately RMB750,000 (2014: RMB950,000), subsidies given by the PRC government for encouragement of its business development. There were no other specific conditions attached to the incentives and, therefore, the Group recognised the incentives upon receipt.

5. OTHER GAINS AND LOSSES

	2015	2014
	RMB'000	*RMB'000*
Net foreign exchange gain (loss)	**4,808**	(362)
Recovery of allowance on amount due from a former associate	**3,976**	–
Loss on disposal of property, plant and equipment	**(836)**	(236)
Impairment loss recognised on trade receivables	**(134)**	(1,123)
Reversal of impairment loss recognised on trade and other receivables	**751**	–
Impairment loss recognised on amounts due from associates	**(163)**	(2,281)
Gain on disposal of interest in an associate	**–**	200
	8,402	(3,802)

6. PROFIT (LOSS) BEFORE TAX

	2015	2014
	RMB'000	*RMB'000*
Profit (loss) before tax has been arrived at after charging:		
Directors' and chief executive's emoluments	**3,721**	4,580
Salaries and other allowances	**20,909**	21,225
Retirement benefit scheme contributions, excluding those of Directors	**4,345**	4,531
Equity-settled share-based expenses, excluding those of Directors	**–**	5,414
Total staff costs	**28,975**	35,750
Auditors' remuneration	**892**	749

7. INCOME TAX EXPENSE

	2015	2014
	RMB'000	*RMB'000*
Enterprise income tax in the PRC		
Current tax	**11,147**	–

The Company was incorporated in the Cayman Islands and is exempted from income tax. It is not subject to tax in other jurisdictions.

Hong Kong

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit. No provision for Hong Kong Profits Tax has been made as the Group's subsidiaries have no assessable profit arising in or derived in Hong Kong for both years.

PRC

PRC subsidiaries located in Beijing, Shanghai, Tianjin and Qingdao were subject to PRC Enterprise Income Tax ("EIT") at a rate of 25% for both years.

The tax charge for the year can be reconciled to the profit (loss) before tax per the consolidated statements of profit (loss) and other comprehensive income (expenses) as follows:

	2015	2014
	RMB'000	*RMB'000*
Profit (loss) before tax	**32,479**	(34,050)
Tax at EIT rate (25%)	**8,120**	(8,513)
Tax effect of expenses not deductible for tax purpose (iii)	**2,672**	3,082
Tax effect of income not taxable for tax purpose	**(2,663)**	(188)
Tax effect of tax losses not recognised	**2,134**	3,986
Tax effect of temporary difference not recognised	**243**	325
Effect of different tax rates of subsidiaries operations in Hong Kong	**809**	1,214
Tax effect of share of results of associates	**–**	94
Others	**(168)**	–
Tax charge for the year	**11,147**	–

Note:

(iii) The amount mainly consists of entertainment and staff welfare which are not deductible for tax purpose.

At the end of the reporting period, the Group has unused tax losses of RMB40,580,000 (2014: RMB32,638,000) available for offset against future profits. A deferred tax asset has been recognised in respect of Nil (2014: RMB594,000) of such losses. No deferred tax asset has been recognised in respect of the remaining RMB40,580,000 (2014: RMB32,044,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of RMB393,000 (2014: RMB393,000) will expire in 2016; RMB2,068,000 (2014: RMB2,068,000) will expire in 2017; RMB10,386,000 (2014: RMB10,386,000) will expire in 2018 and RMB11,831,000 (2014: RMB13,636,000) will expire in 2019 and RMB14,143,000 (2014: Nil) will expire in 2020. The remaining unused tax losses can be carried indefinitely.

Under the EIT Law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to Nil as at 31 December 2015 (2014: nil), as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

8. DIVIDENDS

No dividend has been paid or proposed by the Group for the year ended 31 December 2014 and 2015.

9. EARNINGS (LOSS) PER SHARE

The calculation of the basic and diluted earnings (loss) per share attributable to the owners of the Company is based on the following data:

	2015	2014
	RMB'000	*RMB'000*
Profit (loss) for the year attributable to owners of the Company for the purposes of basic and diluted earnings (loss) per share	**18,369**	(32,243)

The weighted average number of ordinary shares for the purpose of diluted earnings (loss) per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings (loss) per share as follows:

	2015	2014
	'000	*'000*
Weighted average number of shares used in the calculation of basic earnings (loss) per share	**387,582**	286,444
Shares deemed to be issued in respect of:		
– Share options	**12,082**	–
Weighted average number of shares used in the calculation of diluted earnings (loss) per share	**399,664**	286,444

The computation of diluted loss per share did not assume the exercise of of the Company's outstanding share options as the exercise price of those options was higher than the average market price for shares in 2014.

10. TRADE AND OTHER RECEIVABLES

Generally, there was no credit period for sales from the Catering business, except for certain well established, corporate customers for which the credit terms are up to 90 days.

For the New energy business, the settlement period according to contract terms is generally within one year after the completion of energy-related engineering and construction work.

	2015	2014
	RMB'000	*RMB'000*
Trade receivables	**57,888**	7,199
Less: allowance for doubtful debts	**(1,067)**	(1,625)
	56,821	5,574
Other receivables and deposits:		
Prepayments to suppliers	**2,638**	806
Prepayments for operating expenses	**526**	207
Other deposits	**2,521**	2,713
Others	**1,381**	1,018
Less: allowance for doubtful debts	**(92)**	(151)
	6,974	4,593
	63,795	10,167

Before accepting any new corporate customers, the Group assessed the potential customer's credit quality and defines credit limits by customer.

The aged analysis of the Group's trade receivables, net of allowances, based on invoice dates at the end of the reporting period, which approximated the respective revenue recognition dates, is as follows:

	2015	2014
	RMB'000	*RMB'000*
0 – 30 days (iv)	**54,274**	2,470
31 – 60 days	**635**	533
61 – 90 days	**405**	683
91 – 120 days	**284**	565
121 – 150 days	**69**	174
151 – 180 days	**83**	87
Over 180 days	**1,071**	1,062
	56,821	5,574

Note:

(iv) Included in the amount represents trade receivables of RMB51,187,000 (2014: Nil) from the New energy business, which are not yet due at period end and are within the settlement period according to the contract terms is generally within one year after the completion of engineering and construction works related to New energy business.

Included in the Group's trade receivable balances are debtors with an aggregate carrying amount of RMB1,507,000 as of 31 December 2015 (2014: RMB1,888,000), which are past due as at the reporting date for which the Group has not provided for impairment loss as the Directors assessed that the balances will be recovered based on their settlement records and there has not been an adverse change in the relevant entities' credit quality. The Group does not hold any collateral over these balances.

Included in the Group's trade receivable balances is the following past due debts for which the Group has not provided for impairment loss:

Ageing of trade receivables which are past due but not impaired

	2015	2014
	RMB'000	*RMB'000*
91 – 120 days	**284**	565
121 – 150 days	**69**	174
151 – 180 days	**83**	87
Over 180 days	**1,071**	1,062
	1,507	1,888

Movement in the allowance for doubtful debts on trade receivables

	2015	2014
	RMB'000	*RMB'000*
At beginning of the year	**1,625**	502
Impairment losses recognised	**134**	1,123
Reversal of impairment loss recognised	**(692)**	–
At end of the year	**1,067**	1,625

Included in the allowance for doubtful debts are individually impaired trade receivables with an aggregate balance of approximately RMB1,067,000 (2014: RMB1,625,000) of which the debtors were in financial difficulties.

Movement in the allowance for doubtful debts on other receivables

	2015	2014
	RMB'000	*RMB'000*
At beginning of the year	**151**	325
Reversal of impairment loss recognised	**(59)**	(174)
At end of the year	**92**	151

Included in the allowance for doubtful debts are individually impaired other receivables with an aggregate carrying amount of RMB92,000 (2014: RMB151,000) which was not settled before the due date and considered as uncollectable.

11. TRADE AND OTHER PAYABLES

The credit period for trade purchases of the Catering business is 30 to 60 days.

For the New energy business, the settlement period in according to contract terms is generally within one year after the completion of energy-related engineering and construction work.

Ageing analysis of the Group's trade payables based on invoice date is as follows:

	2015	2014
	RMB'000	*RMB'000*
Trade payables:		
0 – 30 days [(v)]	**37,397**	2,497
31 – 60 days	**1,808**	1,469
61 – 90 days	**725**	992
91 – 180 days	**679**	907
Over 180 days	**1,336**	729
	41,945	6,594
Other payables:		
Accruals	**2,134**	3,677
Other payables	**7,116**	6,662
Payable for acquisition of property, plant and equipment	**700**	–
Employee benefits payable	**435**	1,144
Other taxes payable	**80**	235
	10,465	11,718
	52,410	18,312

Note:

(v) Included in the amount represents trade payables of RMB23,184,000 (2014: Nil) from the New energy business, which are not yet due at period end and are within the settlement period according to the contract terms is generally within one year after the completion of engineering and construction works.

12. EVENT AFTER THE REPORTING PERIOD

On 10 March 2016, Crown Glory Holdings Limited, an indirect wholly-owned subsidiary of the Company, has been granted a money lenders licence. As at the date of this announcement, the money lending business had not been commenced.

MANAGEMENT DISCUSSION AND ANALYSIS

FINAL DIVIDEND

The Board did not recommend the payment of any dividend for the Current Year (Previous Year: Nil).

BUSINESS REVIEW

The Group has been adopting a prudently aggressive approach with stringent procedures managing business risk, to continuously explore new potential projects so as to broaden its income sources. The ultimate target is to maximise shareholders' return and value. As the PRC government has launched a series of policies emphasizing environmental protection, energy conservation as well as reduction of emissions and pollution, the Directors have observed with interest the increasing demand in projects applying new energy and the huge opportunities subsequently presented. Hence, apart from maintaining the existing operations of the restaurant and processed food businesses, the Group has boosted its efforts to develop the New energy business.

To build a new corporate image and reflect the Group's diversification and expansion strategy, its shareholders have approved the change of the Company's dual foreign and English names from "名軒(中國)控股有限公司" and "Noble House (China) Holdings Limited" to "北方新能源控股有限公司" and "Northern New Energy Holdings Limited"[(g)] respectively in July 2015. At the same time, to further expedite the strategy, the Company has established a Sino-foreign joint venture company ("JV company") Hua Xia Northern New Energy Technology Development (Tianjin) Limited ("Hua Xia Northern New Energy") in Tianjian with an independent third party. The JV company mainly engaged in the development of new energy, research and development of related technologies and construction engineering businesses[(h)].

Mr. Hu Yishi ("Mr. Hu") has accumulated enormous experience in China affairs, business development and business expansion, and is experienced in overall strategic planning, management and operation of companies with an extensive personnel network. The Company has appointed Mr. Hu to be the executive Director and executive chairman of the Company in August 2015. His joining definitely strengthens the capability of the Group's core management team in business development and management, which will in turn help it to attain the best return for shareholders.

Notes:

(g) Please refer to the announcement of the Company dated 17 July 2015 and the circular dated 30 July 2015 for more details. The Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company was issued by the Companies Registry in Hong Kong on 9 September 2015 certifying that the new English and dual foreign names of the Company have been registered in Hong Kong under Part 16 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

(h) On 17 July 2015, the Company's indirectly wholly-owned subsidiary, entered into a joint venture agreement with an independent third party in relation to the establishment of a JV company according to PRC law. The JV company will be located at Binhai Science Park, Binhai New Area, Tianjin, the PRC. With a total investment of RMB18 million the JV company will be 90%-owned by the Company and the capital contribution will be funded by internal resources of the Company. Please refer to the announcement of the Company dated 17 July 2015 for more details.

In early September 2015, with the official setting up of Hua Xia Northern New Energy, the Group's new energy-related business has also been launched, bringing new income sources to the Group.

New Energy Business

With the establishment of Hua Xia Northern New Energy, the Group has clearly defined the New energy business as the focus of its future business development. Capitalising on Hua Xia Northern New Energy's experienced management team and its partners' professional network in China, and in light of the market demand, the New energy business has gained encouraging results to date, testifying to the initial success of the Group's strategy. Since the joint venture's inception, the Group has completed several projects in Tianjian, the PRC, including coal-to-natural gas conversion heating projects in Xiqing District and Beichen District, and contract engineering projects for the installation of LNG tanks, carburetors, non-standard pressure regulators (products) and gas boilers, as well as the construction of large-scale heating plants.

Catering Business

As at 31 December 2015, we owned and operated six restaurants under the Group's own brand name "Noble House (名軒)" in Shanghai and Beijing in the PRC. We also operated a restaurant in Ningbo in the form of an associate company. In June 2015, the Group closed down an underperforming restaurant in Qingdao. Apart from these restaurants, we operated a food trading company, Shanghai Yin Jia Food Products Company Limited ("Yin Jia"), which was primarily established to provide food production services to the Group's restaurants. In addition, Yin Jia engaged in the trading of seafood and supplemental food products including, among others, spicy XO sauce with crab meat, crab-roe, processed abalone and braised meat, under the Group's own brand name "Noble House (名軒)", for supply to the Group's restaurants and retail shops in Shanghai and Hong Kong. As PRC government promoted the "frugality" culture, the habits and consumption patterns of the prestigious customers in the PRC have been changing, as such, the Group's operating income recorded a continuous decrease.

Property Investment

Upon the completion of the acquisition of a property located at Room 609, No. 1701 Beijing Road West, Jing An District, Shanghai, the Group's business has further diversified into Property investment during the Current Year. The property is being held as an investment property and has started to generate stable rental income for the Group.

Subscription of New Shares

The Company has successfully placed 56,000,000 new shares to four subscribers (the "First Placing")[j] at a subscription price of HK$0.65 per new shares on 28 November 2014 and 80,000,000 new shares to one subscriber at the subscription price of HK$0.95 per subscription share (the "Second Placing")[k] on 30 June 2015 respectively.

Notes:

[j] Please refer to the announcement of the Company dated 20 November 2014 and the clarification announcement dated 26 June 2015 for more details.

[k] Please refer to the announcement of the Company dated 16 April 2015, the circular dated 8 May 2015 and the announcement on completion of the subscription of new shares under specific mandate dated 30 June 2015 for more details.

The aggregate gross proceeds and net proceeds from the two placings are HK$112,400,000 (equivalent to RMB88,835,000) and HK$112,149,000 (equivalent to RMB88,638,000). The Company intended to use the net proceeds from the two placings as follows:

(i) HKD25,500,000 (equivalent to approximately RMB20,127,000) for any potential investment opportunities as identified by the Group; and

(ii) HKD86,649,000 (equivalent to approximately RMB68,511,000) as general working capital of the Group.

As at 31 December 2015, approximately HK$27,743,000 (equivalent to RMB22,195,000) of the proceeds has been used as general working capital of the Group and HK$19,675,000 (equivalent to RMB16,200,000) has been used for establishment of a subsidiary in Tianjin. The remaining net proceeds have not yet been utilized and remain available for the intended use.

FINANCIAL REVIEW

Revenue

For the Current Year, revenue of the Group amounted to RMB162.5 million, representing a sharply increase of 117.2% from RMB74.8 million for the Previous Year. The increase in revenue was mainly attributable to the revenue of RMB86.0 million generated from the Group's new stream of income in the New energy business during the Current Year.

Cost of inventories consumed

	2015	2014	Increase
	RMB'000	*RMB'000*	
Catering business	**32,319**	28,527	13.3%
New energy business	**39,325**	–	–
Property investment	**–**	–	–
Group total	**71,644**	28,527	151.1%

The cost of inventories consumed for Catering business in the Current Year increased by 13.3% from RMB28.5 million to RMB32.3 million was mainly due to the increase in sales of the processed supplemental food products. The cost of inventories consumed for the New energy business amounting to RMB39.3 million, including direct labor cost and raw materials of LNG tanks, carburetors, non-standard pressure regulators (products) and gas boilers, etc.

Gross profit margin

	2015	2014	Decrease
	%	%	
Catering business	**57.7%**	61.9%	(4.2%)
New energy business	**54.3%**	–	–
Property investment	**100.0%**	–	–
Group	**55.9%**	61.9%	(6.0%)

Gross profit represents the revenue less cost of inventories consumed. The gross profit margin for the Catering business decreased from 61.9% to 57.7%, mainly due to the increase in sales of the low-margin processed supplemental food products, it dragged down the overall gross profit margin of Catering business.

The New energy business segment and Property investment segment recorded gross profit margin of 54.3% and 100% respectively.

Other gains and losses

Other gains of RMB8.4 million in the Current Year compared to other losses of RMB3.8 million in the Previous Year were mainly due to the recovery of allowance on amount due from a former associate in the amount of RMB4.0 million in the Catering business for the Current Year and the foreign exchange gain of RMB4.8 million due to the depreciation in RMB as some of our cash in bank was denominated in Hong Kong dollars.

General and administrative expenses

The general and administrative expenses (including: staff costs, rental and utilities, advertising and marketing expenses and other expenses) decreased by 14.5% from RMB73.8 million for the Previous Year to RMB63.1 million for the Current Year. The drop reflected an effective cost reduction and control measures. Also, the equity-settled share-based expense of RMB8.3 million was an one off item incurred in the Previous Year.

Depreciation of property, plant and equipment expenses slightly decreased by 3.6%, from RMB3.9 million for the Previous Year to RMB3.7 million for the Current Year, it was due to the write-off of property, plant and equipment of an underperforming retail outlet in Hong Kong in the Current Year.

Income tax expense

Income tax expenses for the Current Year was RMB11.1 million (Previous Year: Nil). It was mainly derived from the provision of EIT of a subsidiary in Tianjin.

Non-controlling interests

The non-controlling interests recorded a gain of RMB3.0 million in the Current Year as compared to a loss of RMB1.8 million in the Previous Year. This was mainly attributable to an operating profit recorded by the non-wholly-owned subsidiary in Tianjin in the Current Year.

Profit/(loss) and comprehensive income/(expenses) attributable to owners of the Company

The net profit and comprehensive income attributable to owners of the Company for the Current Year amounted to RMB18.4 million, as compared to the net loss and comprehensive expense attributable to owners of the Company amounted to RMB32.2 million in the Previous Year. The basic and diluted profit per share for the Current Year was RMB4.7 cents and RMB4.6 cents respectively, as compared to the basic and diluted loss per share of RMB11.3 cents and RMB11.3 cents respectively in the Previous Year.

Segmental review of the Group's operations during the Current Year is as follows:

New energy business

The Group successfully established a subsidiary in Tianjin, Hua Xia Northen New Energy, and has clearly defined the New energy business as the focus of its future business development.

During the Current Year, the Group began to recognize revenue of RMB86.0 million from the New energy business segment, accounting for 52.9% of the Group's total revenue. It was mainly attributable to the completion of several projects in Xiqing District of Tianjin for RMB15.2 million and Beichen District of Tianjin for RMB70.8 million, including coal-to-natural gas conversion heating projects and contract engineering projects for the installation of LNG tanks, carburetors, non-standard pressure regulators (products) and gas boilers, as well as the construction of large-scale heating plants during the Current Year. The Group also recorded segmental profit of RMB45.2 million in the Current Year.

Catering business

Faced with market changes, we remained keen on innovations and adhered to the conviction of providing quality service for our customers. The Group's operation of Catering business in Shanghai and Beijing continued to contribute steady revenue to the Group. During the Current Year, the Group recorded revenue of RMB76.5 million from the operation of Catering business segment as compared to RMB74.8 million in the Previous Year. The revenue from Catering business included RMB62.2 million from operating of restaurants, RMB0.9 million from the provision of management services and RMB13.4 from sales of processed food and seafood products.

The increase in revenue was generated from the provision of management services of RMB0.9 million, a new management service contract that was signed in January 2015 for 12 months and an increase in sales of seafood and processed supplemental food products.

The Catering business recorded a decrease in segmental loss from RMB18.1 million in the Previous Year to RMB12.0 million in the Current Year. It was mainly attributable to the effective cost reduction and control measures. We will insist on our pursuit for perfection and implement swift adjustments to strategies in response to market demands in order to expand customer base. Meanwhile, the Group will adopting optimized business model, which will include methods such as external contracting, with an aim to reduce loss. The Group will also continue to maintain strict control over costs to reduce operating costs.

The table below set forth a breakdown of the Group's revenue generated from operation of restaurants and their operating margin:

	Revenue (RMB in millions) Year ended 31 December		Gross profit margin* Year ended 31 December	
	2015	2014	**2015**	2014
Noble House Xuhui Restaurant, Shanghai (上海徐匯店)	**16.5**	16.3	**63.3%**	67.5%
Noble House Pudong Restaurant, Shanghai (上海浦東店)	**13.4**	14.9	**65.1%**	63.0%
Noble House Restaurant, Radisson Hotel, Shanghai (上海新世界店)	**12.8**	13.7	**64.3%**	66.9%
Noble House Luwan Restaurant, Shanghai (上海盧灣店)	**5.5**	4.8	**65.2%**	67.2%
Noble House Restaurant at Hotel Nikko New Century Beijing (北京店)	**10.7**	11.0	**60.2%**	62.6%
Noble House Qingdao Restaurant (青島店)**	**–**	1.4	**–%**	50.0%
Noble House Zhangjiang Restaurant, Shanghai (上海張江店)	**3.3**	6.1	**61.0%**	65.9%
	62.2	68.2		

The table below set forth the average spending per customer per meal and number of visitors of the Group's restaurants owned and managed by us:

Restaurants	Approximate seating capacity (seats)	Approximate Gross floor area (sq.m.)	Approximate total number of customers visited		Average spending per customer per meal (RMB)	
			Year ended 31 December 2015	Year ended 31 December 2014	**Year ended 31 December 2015**	Year ended 31 December 2014
Noble House Xuhui Restaurant, Shanghai (上海徐匯店)	140	978	**23,405**	21,804	**704**	748
Noble House Pudong Restaurant, Shanghai (上海浦東店)	146	800	**18,254**	17,595	**735**	847
Noble House Restaurant, Radisson Hotel, Shanghai (上海新世界店)	134	1,370	**34,334**	29,730	**373**	461
Noble House Luwan Restaurant, Shanghai (上海盧灣店)	85	781	**9,144**	6,852	**604**	701
Noble House Restaurant at Hotel Nikko New Century Beijing (北京店)	132	1,000	**18,305**	15,168	**583**	725
Noble House Qingdao Restaurant** (青島店)	73	214	**–**	2,509	**–**	558
Noble House Zhangjiang Restaurant, Shanghai (上海張江店)	146	1,552	**93,710**	154,710	**35**	39

Notes:

* The calculation of gross profit margin is based on the revenue less cost of inventories consumed, divided by revenue, and multiplied by 100%.

** Noble House Qingdao Restaurant had been closed in June 2015 due to its underperformance.

Revenue from operation of restaurants was RMB62.2 million in the Current Year, a decrease of 8.8% from RMB68.2 million for the Previous Year, which was mainly due to the ongoing deterioration of the financial performance of the high-end catering industry in the PRC. Almost all the restaurants recorded an increased in number of customers visited but the average spending per customer showed a trend of substantial decrease. For "Zhangjiang Restaurant", both the number of customers visited and average spending per customer recorded a decrease.

Property investment

During the Current Year, the Group acquired a property located at Room 609, No. 1701 Beijing Road West, Jing An District, Shanghai and was successfully diversified into Property investment business. The property is being held as an investment property and has generated rental income and segment profit of RMB0.06 million and RMB0.002 million respectively in the Current Year. The investment property is expected to generate a stable rental income for the Group in the long run.

PROSPECTS

The year 2015 has been strategically significant for the Group while it is also the first year of its New energy business. During the year, the Group has proactively responded to the changes of the business environment by capturing market opportunities and has actively explored the potential new income sources apart from the Catering business. Having noted the huge potential of the New energy business in the PRC, the Group has pushed forward a series of strategic initiatives in the past year, such as changing the company name, establishing a JV company and strengthening the management team, while redefining the Group's major development direction.

Riding on the extensive experience of the team in new energy technology and the well-established network of its partners in China, the Group has promptly secured and completed several projects in Tianjin, the PRC shortly after the establishment of the joint venture, including coal-to-natural gas heating projects in Xiqing District and Beichen District. Consequently, the New energy business has enjoyed initial success with its income exceeding the full-year performance of its Catering business in last year, testimony to the wisdom of Group's strategic transformation. Although the first quarter is the annual slack season of coal-to-natural gas projects, several coal-to-natural gas conversion projects in Tianjin which the Group completed at the end of last year have laid a solid foundation for the business. In the future, the Group is confident it can secure more projects. It will continue to closely monitor the latest developments in government policies and adjust its strategy in a timely manner so as to seize the opportunities brought about by policy shifts.

The PRC has experienced rapid economic development in the past few decades. However, the significant increase of coal consumption has led to severe pollution in many cities across the PRC. Carbon emissions have also reached the international alarming level. According to the results of the particulate analysis released by the Tianjin Environmental Protection Bureau in 2014, local emissions accounted for 66%-78% of the PM2.5 (small particles) in Tianjin, while coal-fired facilities accounted for 27% of local pollution emissions. As more and more residents in the northern region are requesting the government to address the smog issue, the community also encourages the reduction of coal use and the replacement of coal with cleaner energy.

One of the major tasks of the 13th Five-Year Plan is to curb smog. During the first year of the Plan, the Group's business matches well with the national development objectives. China's government has announced several measures aimed at controlling coal consumption in key cities and provinces including Beijing, Tianjin and Hebei, and closing down certain coal mines. In June 2015, Li Keqiang, Premier of China, announced a new goal for reduction of coal-generated emissions, which seeks to lower related emissions by 60% to 65% by 2030 from the level in 2005. The determination of the Chinese government has been proven by actual figures. In 2014, local coal consumption dropped year-on-year by 2.9%, the first drop in 14 years. In 2015, the corresponding figure has further decreased by 4%. With strong government support, coal consumption is expected to decrease continuously in the future.

The Group believes that a strong demand to coal-to-natural gas conversion heating projects exists in Northern China, therefore it will seek opportunities to expand into neighbouring areas. In the long run, the Group will analyze the situation across the whole nation, and allocate resources into areas with development potential. To boost the development of its New energy business, it will review its business model and launch services and products which correspond to market needs at the appropriate time, with the aim to expand and deepen its industry chain and capture the enormous market opportunities. With this aim, the Group has been actively seeking to set up joint venture companies with its industry partners (especially the gas companies) in order to develop clean energy-related businesses in technologies, consultancy, services, transfer and sales.

As the world is attaching increasing importance to climate change and environmental protection, new energy sources take up a pivotal role. The Group will develop the New energy business in a comprehensive manner by capitalizing on the current growth momentum to create greater returns for our shareholders.

For Catering business, the Group will closely monitor market developments and make adjustments accordingly, while adopting optimized business model, which will include methods such as external contracting, with an aim to reduce loss. The Group will also continue to maintain strict control over costs to reduce operating costs. In addition, the Group will identify suitable investment properties that generate stable rental income for the Group, and ultimately enhance the economic efficiency of the Group' resources.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2015, cash and bank balances in general accounts maintained by the Group were RMB125.0 million, representing an increase of 235.8% from RMB37.2 million as at 31 December 2014, which was largely due to the net proceeds of RMB68.3 million received from the issuance of 93,160,000 new shares during the Current Year. Trade and other receivables were RMB63.8 million as at 31 December 2015 (31 December 2014: RMB10.2 million), which mainly represented an increase in trade receivables from the New energy business segment.

Trade and other payables have increased by 186.2% from RMB18.3 million in the Previous Year to RMB52.4 million in the Current Year, which also mainly represented an increase in trade payable from the New energy business segment. During the Current Year, there was a decrease in amounts due to Directors of RMB5.1 million, a Director had resigned on 4 December 2015 and the outstanding RMB2.7 million has been reclassified as amount due to a shareholder. The tax liability increased by 284.3% to RMB15.7 million in the Current Year (Previous Year: RMB4.1 million), mainly derived from the provision of EIT for a subsidiary in Tianjin.

As a result of the abovementioned, the Group's current assets and current liabilities as at 31 December 2015 were RMB194.7 million (31 December 2014: RMB58.6 million) and RMB93.7 million (31 December 2014: RMB47.9 million) respectively.

The Group has no bank borrowings as at 31 December 2015. The gearing ratio of the Group, measured as total debt to total equity, decreased to 2.4% as at 31 December 2015 (31 December 2014: 18.7%). As at 31 December 2015, the Group recorded net assets of RMB117.7 million as compared with RMB24.6 million as at 31 December 2014. The increase was mainly due to the aforementioned issuance of new shares and the profit for the Current Year. During the Current Year, the Group financed its operations with the funds raised from the issuance of new shares as well as internal resources.

CAPITAL STRUCTURE

Exercise of Share Options

During the Current Year, 13,160,000 shares were issued and allotted, due to the exercise of share options with exercise price of HK$0.81 granted on 25 November 2014.

Placing of New Shares

The Company has successfully completed the First Placing on 28 November 2014 and the Second Placing on 30 June 2015. Details of the two placings were set out in the "Subscription of New Shares" under the "Business Review" section in this announcement.

Upon the shares allotted by exercising of share options and the completion of the placing on 30 June 2015, the Company had an aggregate of 429,160,000 shares of HK$0.01 each in issue.

FOREIGN CURRENCY EXPOSURE

The business operations of the Group's subsidiaries were conducted mainly in the PRC with revenues and expenses of the Group's subsidiaries denominated mainly in RMB, with some denominated in Hong Kong dollars. The Group's cash and bank deposits were denominated mainly in Hong Kong dollars, with some denominated in RMB. Any significant exchange rate fluctuations of Hong Kong dollars against RMB as the functional currency may have a financial impact on the Group.

As at 31 December 2015, the Directors considered the Group's foreign exchange risk currently remained minimal. During the Current Year, the Group did not use any financial instruments for hedging purposes (Previous Year: Nil).

CONTINGENT LIABILITIES

As at 31 December 2015, the Group did not have any material contingent liabilities.

MATERIAL ACQUISITION AND DISPOSAL

The Group had no material acquisition and disposal of subsidiaries for both the Current Year and Previous Year.

FURTHER PLAN FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at 31 December 2015, the Group did not have any further plan for material investments or capital assets.

PLEDGE OF ASSETS

As at 31 December 2015, the Group did not have any mortgage or charge over its assets.

EMPLOYMENT AND REMUNERATION OF EMPLOYEES

As at 31 December 2015, the Group had approximately 359 staff in the PRC and 11 staff in Hong Kong. The Group recognizes the importance of human resources to its success, therefore qualified and experienced personnel are recruited for reviewing and restructuring our existing business, as well as exploring potential investment opportunities. Remuneration is maintained at competitive levels with discretionary bonuses payable on a merit basis and in line with industrial practice. Other staff benefits provided by the Group include mandatory provident fund, insurance schemes and performance related bonus.

A remuneration committee was set up for, inter alia, reviewing the Group's emolument policy and structure for all Directors and senior management of the Group.

OTHER INFORMATION

Updates on Director's information under rule 17.50(B) of the GEM Listing Rules

With effect from 27 August 2015, Mr. Hu has been appointed as an executive Director and an executive chairman of the Company. Mr. Hu is responsible for the overall strategic planning for China affairs, the development and expansion of the business of the Group. Details of the above appointment was set out in the announcement of the Company dated 27 August 2015.

Audit Committee

The audit committee of the Company (the "Audit Committee") was established to review the Group's financial reporting, corporate governance reporting process, internal controls, risk management matters and make relevant recommendations to the Board.

The current Audit Committee has three members comprising all the independent non-executive Directors, namely, Mr. Lui Tin Nang (chairman), Ms. Ma Lee and Mr. Wang Zhi Zhong. The Group's annual report and results announcement for the year ended 31 December 2015 has been reviewed by the Audit Committee, which was of the opinion that such reports and results were prepared in accordance with the applicable accounting standards and requirements. The Audit Committee also monitored the Company's progress in implementing the code provisions of corporate governance practices as required under the GEM Listing Rules.

Compliance with the Corporate Governance Code

To comply with all the new code provisions set out in the Corporate Governance Code and Corporate Governance Report (the "CG Code and Report") contained in Appendix 15 of the GEM Listing Rules, relevant amendments and adoptions has been adopted by the Company for the financial year ended 31 December 2015, except for the deviations from code provision A.6.7 as explained below. The Board will continue to review regularly and take appropriate actions to comply with the Code.

Under code provision A.6.7, the Board members should attend general meetings and develop a balanced understanding of the views of shareholders of the Company. Due to other unavoidable business engagement, the chairman and one of independent non-executive Directors were unable to attend the Company's annual general meeting held on 7 May 2015 and the extraordinary general meetings held on 9 June 2015 and 24 August 2015. Besides, one of the executive Directors was unable to attend the extraordinary general meeting held on 9 June 2015.

Save as disclosed above, the Directors are of the opinion that the Company and the Board had complied with the CG Code during the period from the Listing Date up to 31 December 2015.

Compliance with the required standards of dealings in Securities Transactions by Directors

The Group adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding Directors' securities transactions in securities of the Company. Upon the Group's specific enquiry, each Director confirmed that during the year ended 31 December 2015, he had fully complied with the required standard of dealings and there was no event of non-compliance.

Purchase, Sale or Redemption of Securities

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's shares during the Current Year.

Communication with shareholders

The Company believes that maintaining a high level of transparency is a key to enhancing investor relations. It is committed to a policy of open and timely disclosure of corporate information to its shareholders and investment public.

The Company updates the shareholders on its latest business developments and financial performance through its annual, interim and quarterly reports and communicates with the shareholders through annual general meetings and extraordinary general meetings. In compliance with the requirements of the GEM Listing Rules, the Company issued regular reports, announcements, circulars and notice of general meetings. Always updated with latest information, the corporate website of the Company (http://www.8246hk.com) has provided an effective communication platform to the public and the shareholders.

By order of the Board
Northern New Energy Holdings Limited
Chan Wing Yuen, Hubert
Chief Executive Officer and Executive Director

Hong Kong, 15 March 2016

As at the date of this announcement, the executive Directors are Mr. Hu Yishi, Ms. Lin Min, Mindy, Mr. Chan Wing Yuen, Hubert and Ms. Kwong Wai Man, Karina; and the independent non-executive Directors are Mr. Lui Tin Nang, Ms. Ma Lee and Mr. Wang Zhi Zhong.

This announcement will remain on the GEM website at http://www.hkgem.com on the "Latest Company Announcements" page for at least seven days from the day of its posting and on the website of the Company at http://www.8246hk.com.