WEIYE HOLDINGS LIMITED

偉業控股有限公司*

(Singapore Company Registration Number: 198402850E)

(Incorporated in the Republic of Singapore with limited liability)

(Hong Kong Stock Code: 1570)

(Singapore Stock Code: BMA)

ANNOUNCEMENT OF FULL YEAR FINANCIAL RESULTS FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2017

FINANCIAL RESULTS

The Board (the "Board") of Directors (the "Director(s)") of Weiye Holdings Limited (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "Group") for the fourth quarter ("4Q2017") and the twelve months ended 31 December 2017 ("FY2017"), together with the relevant comparative figures for the fourth quarter ("4Q2016") and the twelve months ended 31 December 2016 ("FY2016") as follows:

CONSOLIDATED INCOME STATEMENT

	Note	GROUP 4Q2017 RMB'000	GROUP 4Q2016 RMB'000	% change +/(-)	GROUP FY2017 RMB'000	GROUP FY2016 RMB'000	% change +/(-)
Revenue	3						
- Development properties		1,003,030	137,999	627%	1,678,926	681,652	146%
- Housing construction		-	-	-	-	182	-100%
- Equipment manufacturing		23,154	16,054	44%	69,116	59,587	16%
		1,026,184	154,053		1,748,042	741,421	
Cost of sales							
- Development properties		(915,381)	(124,538)	635%	(1,460,777)	(489,806)	198%
- Housing construction		-	-	-	-	(434)	-100%
- Equipment manufacturing		(17,779)	(9,979)	78%	(47,786)	(38,775)	23%
		(933,160)	(134,517)		(1,508,563)	(529,015)	
Gross profit		93,024	19,536	376%	239,479	212,406	13%
Other income	4	61,754	15,130	308%	71,637	48,884	47%
Selling and distribution expenses		(19,778)	(12,673)	56%	(62,833)	(40,174)	56%
Administrative expenses		(38,390)	(36,528)	5%	(139,991)	(130,015)	8%
Other operating expenses		(8,859)	(409)	2066%	(10,442)	(1,582)	560%
Results from operations		87,751	(14,944)		97,850	89,519	
Net finance income/(costs)	5	1,828	(4,843)	n.m	6,215	9,440	-34%
Share of profit of joint venture (net of tax)		105,299	52,026	102%	114,462	46,106	148%
Profit before taxation		194,878	32,239		218,527	145,065	
Income tax expenses	6	(47,787)	(113)	42189%	(91,560)	(65,993)	39%
Profit for the period/year	7	147,091	32,126		126,967	79,072	
Profit attributable to:							
Owners of the Company		142,927	35,159		116,161	65,349	
Non-controlling interests		4,164	(3,033)		10,806	13,723	
		147,091	32,126		126,967	79,072	

Note:
n.m: Not meaningful

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	GROUP			GROUP		
	4Q2017 RMB'000	4Q2016 RMB'000	% change +/(-)	FY2017 RMB'000	FY2016 RMB'000	% change +/(-)
Profit for the period/year	147,091	32,126		126,967	79,072	
Other comprehensive income/(loss)						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation differences - foreign operations	1,999	1,573	27%	(941)	(4,029)	-77%
Total other comprehensive income/(loss) for the period/year, net of tax	1,999	1,573		(941)	(4,029)	
Total comprehensive income for the period/year	149,090	33,699		126,026	75,043	
Total comprehensive income attributable to:						
Owners of the Company	144,926	36,732		115,220	61,320	
Non-controlling interests	4,164	(3,033)		10,806	13,723	
	149,090	33,699		126,026	75,043	

Note:
n.m: Not meaningful

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	GROUP		COMPANY	
		31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
		RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets					
Property, plant and equipment	8	55,379	57,068	-	5
Subsidiaries		-	-	1,669,975	1,669,975
Joint venture		403,144	288,682	-	-
Investment properties		473,200	483,000	-	-
Amount due from non-controlling interests (non-trade)		99,160	99,160	-	-
Amount due from a joint venture partner (non-trade)		128,700	117,876	-	-
Intangible assets		3,726	3,421	-	-
Club memberships		-	418	-	418
Deferred tax assets		10,471	19,233	-	-
		1,173,780	1,068,858	1,669,975	1,670,398
Current assets					
Development properties		2,646,148	2,545,693	-	-
Inventories		17,629	17,238	-	-
Trade and other receivables	9	1,458,331	1,438,780	123	144
Amount due from a joint venture partner (non-trade)		21,926	20,226	-	-
Amount due from subsidiaries (non-trade)		-	-	180,953	21,329
Prepaid tax		141,091	34,358	-	-
Other investments		6,520	2,320	-	-
Cash and cash equivalents		800,198	1,083,179	3,350	1,360
		5,091,843	5,141,794	184,426	22,833
Current liabilities					
Trade and other payables	10	610,330	494,668	1,553	1,456
Advance receipts from sale of properties		1,228,886	519,418	-	-
Amount due to joint venture (non-trade)		282,980	281,000	-	-
Amount due to non-controlling interests		184,119	-	-	-
Amount due to subsidiaries (non-trade)		-	-	30,832	43,355
Loans and borrowings		1,116,397	1,738,702	-	-
Finance lease liabilities		54	130	-	-
Income tax payable		194,789	210,422	-	-
		3,617,555	3,244,340	32,385	44,811
Net current assets/(liabilities)		1,474,288	1,897,454	152,041	(21,978)
Non-current liabilities					
Finance lease liabilities		137	-	-	-
Loans and borrowings		875,186	1,345,088	185,366	-
Deferred tax liabilities		255,554	242,059	-	-
		1,130,877	1,587,147	185,366	-
Net assets		1,517,191	1,379,165	1,636,650	1,648,420
Equity					
Share capital	11	359,700	359,700	1,737,554	1,737,554
Reserves		956,863	841,643	(100,904)	(89,134)
Equity attributable to owners of the Company		1,316,563	1,201,343	1,636,650	1,648,420
Non-controlling interests		200,628	177,822	-	-
Total equity		1,517,191	1,379,165	1,636,650	1,648,420

CONSOLIDATED STATEMENT OF CASH FLOWS

	GROUP		GROUP	
	4Q2017 RMB'000	4Q2016 RMB'000	FY2017 RMB'000	FY2016 RMB'000
Cash flows from operating activities:				
Profit before taxation	194,878	32,239	218,527	145,065
Adjustments for:				
Amortisation of intangible assets	595	209	1,375	982
Allowance for impairment loss made/(reversed) on club membership	427	-	427	(18)
Gain on disposal of subsidiary	-	-	(29)	-
Depreciation of property, plant and equipment	1,415	1,690	5,428	5,202
Interest income	(3,769)	(9,977)	(43,720)	(50,248)
Interest expense	1,941	14,820	37,505	40,808
Loss on disposal of property, plant and equipment	(457)	-	(1,273)	-
Loss/(gain) on disposal of quoted equity investments	134	(710)	(32)	(1,032)
Property, plant and equipment written off	(50)	-	38	-
Net changes in fair value loss on financial assets held for trading	34	1,205	698	495
Share of profit of joint venture (net of tax)	(105,299)	(52,026)	(114,462)	(46,106)
Change in fair value of investment properties	6,146	(11,700)	6,146	(11,700)
Loss on disposal of investment properties	203	-	203	-
Listing expenses	-	-	-	16,342
Effects of exchange rate changes	695	1,525	711	1,478
	96,893	(22,725)	111,542	101,268
Changes in working capital:				
Development properties	38,683	(950,304)	84,311	(1,252,590)
Inventories	3,912	(682)	(391)	(6,241)
Trade and other receivables	9,324	783,080	(18,546)	742,787
Trade and other payables	(136,484)	(94,626)	827,111	155,545
Cash flows generated from/(used in) operations	12,328	(285,257)	1,004,027	(259,231)
Income tax paid	(7,587)	(35,149)	(191,669)	(100,660)
Net cash flows generated from/(used in) operating activities	4,741	(320,406)	812,358	(359,891)
Cash flows from investing activities:				
Purchase of property, plant and equipment	(628)	(15,123)	(5,096)	(4,332)
Proceeds from disposal of property, plant and equipment	704	-	3,406	-
Proceeds from disposal of investment properties	3,451	-	3,451	-
Interest received	(10,867)	1,214	30,191	9,962
Acquisition of intangible assets	(732)	(366)	(1,681)	(1,678)
Purchase of other investment	(2,804)	(16,935)	(10,712)	(44,208)
Additional of construction costs on investment properties	-	(15,300)	-	(45,300)
Proceed from disposal of other investment	(166)	14,145	5,846	42,425
Deposit refunded from third party	-	35,000	-	35,000
Net cash flows (used in)/generated from investing activities	(11,042)	2,635	25,405	(8,131)
Cash flows from financing activities:				
Capital contribution from non-controlling interests	12,000	-	12,000	-
Decrease in restricted cash	76,722	143,574	141,204	287,711
Repayment of finance leases	(29)	(111)	(117)	(104)
Interest paid	(61,765)	(106,391)	(222,270)	(264,610)
Repayment of loans and borrowings	(310,572)	(746,884)	(2,558,805)	(1,463,793)
Proceeds from issuance of new shares by a subsidiary on its initial public offering	-	-	-	34,718
Payment of intial public offering expenses of subsidiary	-	-	-	(8,888)
Payment of listing expenses	-	-	-	(16,342)
Amount due to non-controlling interests	184,119	-	184,119	-
Proceeds from bank borrowings	226,528	883,884	1,464,023	2,288,372
Net cash flows generated from/(used in) financing activities	127,003	174,072	(979,846)	857,064
Net increase/(decrease) in cash and cash equivalents	120,702	(143,699)	(142,083)	489,042
Cash and cash equivalents at the beginning of financial year/period	533,670	926,765	795,829	305,595
Effects of exchange rate changes on opening balances of cash and cash equivalents	(320)	(460)	306	1,192
Cash and cash equivalents in cash flow statement	654,052	782,606	654,052	795,829
Additional information:				
Cash and cash equivalents	803,904	1,083,179	803,904	1,083,179
Less: restricted cash	(146,146)	(300,573)	(146,146)	(287,350)
Less: bank overdrafts	(3,706)	-	(3,706)	-
Total cash and cash equivalents in cash flow statement	654,052	782,606	654,052	795,829

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

GROUP	Share capital RMB'000	Merger reserve RMB'000	Capital reserves RMB'000	Foreign currency translation reserve RMB'000	Statutory and other reserve RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
	<-----------------------------------Attributable to owners of the Company						------------------------------------>		
At 1 January 2016	359,700	(59,669)	(550)	(12,235)	80,627	772,150	1,140,023	138,269	1,278,292
Total comprehensive income/(loss) for the year									
Profit for the year	-	-	-	-	-	65,349	65,349	13,723	79,072
Other comprehensive loss									
Foreign currency translation differences – foreign operations	-	-	-	(4,029)	-	-	(4,029)	-	(4,029)
Total other comprehensive loss	-	-	-	(4,029)	-	-	(4,029)	-	(4,029)
Total comprehensive (loss)/income for the year	-	-	-	(4,029)	-	65,349	61,320	13,723	75,043
Contributions by and distributions to owners									
Transfer to statutory reserves	-	-	-	-	10,373	(10,373)	-	-	-
Issuance of share to non-controlling interest	-	-	-	-	-	-	-	25,830	25,830
Total contributions by and distributions to owners	-	-	-	-	10,373	(10,373)	-	25,830	25,830
Total transactions with owners	-	-	-	-	10,373	(10,373)	-	25,830	25,830
At 31 December 2016	359,700	(59,669)	(550)	(16,264)	91,000	827,126	1,201,343	177,822	1,379,165
Total comprehensive income/(loss) for the year									
Profit for the year	-	-	-	-	-	116,161	116,161	10,806	126,967
Other comprehensive loss									
Foreign currency translation differences – foreign operations	-	-	-	(941)	-	-	(941)	-	(941)
Total other comprehensive loss	-	-	-	(941)	-	-	(941)	-	(941)
Total comprehensive (loss)/income for the year	-	-	-	(941)	-	116,161	115,220	10,806	126,026
Contributions by and distributions to owners									
Transfer to statutory reserves	-	-	-	-	7,826	(7,826)	-	-	-
Total contributions by and distributions to owners	-	-	-	-	7,826	(7,826)	-	-	-
Capital contribution from non-controlling interests	-	-	-	-	-	-	-	12,000	12,000
Total changes in ownership interests in subsidiary	-	-	-	-	-	-	-	12,000	12,000
Total transactions with owners	-	-	-	-	7,826	(7,826)	-	12,000	12,000
At 31 December 2017	359,700	(59,669)	(550)	(17,205)	98,826	935,461	1,316,563	200,628	1,517,191

Company	Share capital RMB'000	Accumulated losses RMB'000	Foreign currency translation reserve RMB'000	Employee share option reserve RMB'000	Total equity RMB'000
	<-------------------Attributable to owners of the Company			------------------->	
Balance as at 1 January 2016	1,737,554	(77,733)	7,262	582	1,667,665
Total comprehensive loss for the year					
Loss for the year	-	(18,898)	-	-	(18,898)
Other comprehensive loss					
Foreign currency translation differences – foreign operations	-	-	(347)	-	(347)
Total other comprehensive loss	-	-	(347)	-	(347)
Total comprehensive loss	-	(18,898)	(347)	-	(19,245)
Balance as at 31 December 2016	1,737,554	(96,631)	6,915	582	1,648,420
Total comprehensive loss for the year					
Loss for the year	-	(11,754)	-	-	(11,754)
Other comprehensive loss					
Foreign currency translation differences – foreign operations	-	-	(16)	-	(16)
Total other comprehensive loss	-	-	(16)	-	(16)
Total comprehensive loss	-	(11,754)	(16)	-	(11,770)
Balance as at 31 December 2017	1,737,554	(108,385)	6,899	582	1,636,650

1. General information

Weiye Holdings Limited is a company incorporated in the Republic of Singapore. The address of the Company's registered office is 100H Pasir Panjang Road, #01-01, OC@Pasir Panjang, Singapore, 118524. The Company's shares have been listed on the Main Board of the Singapore Exchange Securities Trading Limited (the "SGX-ST") and the Main Board of The Stock Exchange of Hong Kong Limited (the "SEHK") since 16 August 2011 and 6 April 2016, respectively.

The consolidated financial statements of the Group as at and for the 12 months ended 31 December 2017 comprise of the Company and its subsidiaries.

The principal activities of the Group are those of property development for residential and commercial properties in the People's Republic of China ("PRC"), and manufacture and trading of clean room equipment, heating, ventilation, air-conditioning and air purification products.

2. Basis of preparation and principal accounting policies

The condensed consolidated financial statements have been prepared on historical cost basis.

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period compared with those of the audited financial statements for the year ended 31 December 2016.

The Group has adopted the new and revised Singapore Financial Reporting Standards ("FRSs") that are mandatory for the financial year beginning on or after 1 January 2017, where applicable. The adoption of these standards did not result in substantial changes to the Group's accounting policies, and there is no material impact on the retained earnings of the Group as at 1 January 2017.

The Company's functional currency is the Singapore dollar. As the Group's operations are principally conducted in the PRC, the consolidated financial statements have been presented in the Chinese Renminbi ("RMB"). All financial information presented in RMB has been rounded to the nearest thousand (RMB'000), unless otherwise stated.

3. Segment information

For management purposes, the Group is organised into business units based on the products and services offered, and has three reportable operating segments as follows:

I. *Property development*

Development properties refer to the development and sales of both commercial and residential property units in PRC and the leasing of investment properties to generate rental income and to derive capital gains from the investment properties in the long term.

II. *Housing construction*

Housing construction refers to the construction of resettlement houses in Zhengzhou city, Henan Province, PRC.

III. *Clean room equipment, heating, ventilation and air-conditioning products, and air purifiers ("Equipment manufacturing")*

A clean room provides an environment where the humidity, temperature and particles in the air are precisely controlled. Clean room equipment include fan filter units, air showers, clean booths, pass boxes, clean hand dryers and clean benches, amongst others. Heat ventilation and air-conditioning products are essentially deflection grilles and air diffusers installed to channel and regulate the airflow into the environment within the building to ensure an even distribution of air within the confined space. Air purifiers (also referred to as air cleaners) are electrical devices that remove solid and gaseous pollutants from the air such as formaldehyde and PM2.5 which may pose adverse health risks that include breathing difficulties, asthma and allergies. Through the function of air filters or sterilising systems built into each air purifier, the concentration of dust, contaminants, fine particles and volatile organic compounds in the air are reduced to the benefit of individuals within the immediate vicinity.

The Group's Executive Chairman monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements.

Income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

There are no inter-segment sales within the Group.

Reconciliations of reportable revenues, profit or loss, assets and liabilities：

	Property development		Housing Construction		Equipment Manufacturing		Total	
	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000	2017 RMB'000	2016 RMB'000
Revenue:								
External customers	1,678,926	681,652	-	182	69,116	59,587	1,748,042	741,421
Segments results	115,563	101,723	-	(252)	(17,713)	(11,952)	97,850	89,519
Interest income	43,307	50,195	-	-	413	53	43,720	50,248
Finance costs	(34,168)	(40,144)	-	-	(3,337)	(664)	(37,505)	(40,808)
Reportable segment profit before income tax							104,065	98,959
Income tax expenses							(91,560)	(65,993)
Share of profit of joint ventures (net of tax)							114,462	46,106
Non controlling interests							(10,806)	(13,723)
Profit attributable to equity holders of the Company							116,161	65,349
Reported segment assets	6,162,729	6,100,951	-	-	102,894	109,701	6,265,623	6,210,652
Reported segment liabilities	2,725,897	1,709,008	-	-	30,761	38,559	2,756,658	1,747,567
Loans and borrowings	1,804,680	3,082,916	-	-	187,094	1,004	1,991,774	3,083,920
Total liabilities							4,748,432	4,831,487
Other segment information								
Capital expenditure	2,429	15,331	-	-	4,524	2,306	6,953	17,637
Depreciation of property, plant and equipment	3,610	3,522	-	-	1,818	1,680	5,428	5,202
Amortisation of intangible assets	126	133	-	-	1,249	849	1,375	982

Geographical segment

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers.

The following table presents revenue, capital expenditure and certain assets information regarding the Group's geographical segments as at and for the twelve months period ended 31 December 2017 and 31 December 2016.

	PRC RMB'000	Singapore RMB'000	Other Countries RMB'000	Total RMB'000
31 December 2017				
Revenue	1,693,971	36,796	17,275	1,748,042
Non-current assets	915,015	2,483	17,951	935,449
31 December 2016				
Revenue	690,520	41,021	9,880	741,421
Non-current assets	811,510	2,268	18,811	832,589

4. Other income

	GROUP	
	FY2017 RMB'000	FY2016 RMB'000
Change in fair value of investment properties	-	11,700
Net change in fair value loss on financial assets held for trading	(698)	(495)
Government grants	600	110
Rental income	3,220	2,894
Compensation income - withdrawal of a joint development project	2,531	30,600
Gain on disposal of quoted equity investment	32	1,032
Gain on disposal of property, plant and equipment	1,273	-
Net gain on disposal of rights to sell development property units	60,020	-
Gain on disposal of subsidiary	29	-
Others	4,630	3,043
	71,637	48,884

5. Finance income/costs, net

	GROUP	
	FY2017 RMB'000	FY2016 RMB'000
Interest income	43,720	50,248
Interest expenses	(215,057)	(260,631)
Bank charges and others	(7,214)	(3,979)
Finance expenses, net	(178,551)	(214,362)
Finance costs capitalised in development properties	184,766	223,802
Net finance income recognised in profit or loss	6,215	9,440

6. Taxation

	GROUP	
	FY2017 RMB'000	FY2016 RMB'000
Current tax expense		
- Current period	(59,340)	(36,070)
- Overprovision in respect of prior years	99	3,546
	(59,241)	(32,524)
Deferred tax expense		
- Origination and reversal of temporary differences	11,970	(8,980)
- Witholding tax on the profits of the Group's PRC subsidiaries	(21,788)	(9,611)
	(9,818)	(18,591)
Land appreciation tax expense		
- Land appreciation tax	(22,501)	(14,878)
	(22,501)	(14,878)
Taxation	(91,560)	(65,993)

Singapore and PRC income tax liabilities are calculated at the applicable rates in accordance with the relevant tax laws and regulations in Singapore and the PRC.

Pursuant to a PRC Enterprise Income Tax Law promulgated on 16 March 2007, the enterprise income tax for both domestic and foreign-invested enterprises has been unified at 25% effective from 1 January 2008.

According to the Implementation Rules of the Corporate Income tax Law of PRC, the Company's subsidiaries in the PRC are levied a 10% withholding tax on dividends declared to their foreign investment holding companies arising from profit earned subsequent to 1 January 2008. In respect of dividends that are subject to the withholding tax, provision for withholding tax is recognised for the dividends that have been declared, and deferred tax liability is recognised for those to be declared in the foreseeable future.

Certain subsidiaries within the Group are paying corporate income tax on a deemed tax basis as agreed with the local tax authorities. The tax obligations are determined by applying the corporate income tax rate on the deemed profit generated. The deemed profit generated is calculated based on a deemed profit rate on the revenue generated by the subsidiaries.

Land appreciation tax ("LAT") is levied on properties in the PRC developed for sale by the Group at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds from the sale of properties less deductible expenditures which include lease charges of land use rights, borrowing costs and all property development expenditures.

The provision for LAT is based on management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalised its LAT calculation and payments with the tax authorities for some of its property development projects. The final outcome could be different from the amounts that were initially recorded, and any differences will impact on the LAT expenses and the related provision in the period in which the difference realises.

7. Profit for the period

Profit for the period has been arrived at after charging/(crediting) the following:

	GROUP			GROUP		
	4Q2017	**4Q2016**	**% change**	**FY2017**	**FY2016**	**% change**
Profit before taxation is stated after charging/(crediting):	RMB'000	RMB'000	+/(-)	RMB'000	RMB'000	+/(-)
Amortisation of intangible assets	595	209	185%	1,375	982	40%
Allowance for impairment loss made/(reversed) on club membership	427	-	100%	427	(18)	n.m
Allowance for impairment loss on trade receivables	904	-	100%	904	-	100%
Depreciation of property, plant and equipment	1,415	1,690	-16%	5,428	5,202	4%
Interest income	(3,769)	(9,977)	-62%	(43,720)	(50,248)	-13%
Interest expenses	1,941	14,820	-87%	37,505	40,808	-8%
Gain on disposal of subsidiary	-	-	n.m	(29)	-	100%
Gain on disposal of quoted equity investments	134	(710)	n.m	(32)	(1,032)	-97%
Net change in fair value loss on financial assets held for trading	34	1,205	-97%	698	495	41%
Net gain on disposal of rights to sell development property units	(60,020)	-	-100%	(60,020)	-	-100%
Property, plant and equipment written off	(50)	-	-100%	38	-	100%
Gain on disposal of property, plant and equipment	(457)	-	-100%	(1,273)	-	-100%
Listing expenses	-	-	n.m	-	16,342	-100%
Net change in fair value of investment properties	6,146	(11,700)	n.m	6,146	(11,700)	n.m

Note:
n.m: Not meaningful

8. Property, plant and equipment

During the year, the Group spent approximately RMB5.1 million (FY2016: RMB17.6 million) on the acquisition of property, plant and equipment.

9. Trade and other receivables

Trade receivables of the Group are non-interest bearing and are normally settled on 30 to 180 days (2016: 30 to 180 days). They are recognised at their original invoiced amounts which represent their fair values on initial recognition.

Impairment loss

The ageing of trade receivables at the reporting date, based on due date, is as follows:

	Gross 2017 RMB'000	Impairment losses 2017 RMB'000	Gross 2016 RMB'000	Impairment losses 2016 RMB'000
Group				
Neither past due nor impaired	45,662	–	86,390	–
Past due 1 – 30 days	4,904	–	4,958	–
Past due 31 – 60 days	1,467	–	2,058	–
Past due 61 – 90 days	1,715	–	11,862	–
Past due more than 90 days	18,946	(904)	2,788	–
	72,694	(904)	108,056	–

Trade receivables that are not past due and not impaired

As at 31 December 2017, included in the trade receivables attributed to the Group's development property operations are amounts of RMB 14,140,000 and RMB 17,982,000 (2016: RMB 30,089,000 and RMB 22,130,000) arising from instalment sales and sales pending release of financing by banks, respectively, that were not past due and not impaired.

The trade receivables arising from instalment sales are due between periods ranging from three months to twelve months from the reporting date.

As at 31 December 2016, included in receivables neither past due nor impaired is an amount of RMB 8,099,000 from a buyer where the repayment date has been further extended to 31 October 2017 as agreed between both parties. This amount has been paid as of reporting date.

Trade receivables that are past due but not impaired

As at 31 December 2017, the Group had trade receivables amounting to RMB 26,128,000 (2016: RMB 13,356,000) that were past due but not impaired. Included in these trade receivables are amounts of RMB 19,808,000 and RMB 6,320,000 (2016: RMB 9,834,000 and RMB 3,522,000) attributed primarily to the clean room and air diffusion products operations, and development properties operations, respectively.

The Group's historical experience in the collection of trade receivables falls within the recorded allowances. Management believes that no additional allowance beyond the amount provided for is required in respect of the trade receivables.

There is impairment loss of RMB 904,000 at end of year 2017 (2016: Nil) in respect of trade receivables.

10. Trade and other payables

Trade payables primarily comprise construction costs payable to third parties.

Ageing profile

The ageing profile of trade payables of the Group at the reporting date, based on invoice date, is as follows:

	31 December 2017 RMB'000	31 December 2016 RMB'000
Not past due	433,812	348,795
Past due 1 – 30 days	2,103	1,337
Past due 31 – 60 days	5,524	657
Past due 61 – 90 days	103	419
Past due more than 90 days	35,034	31,993
	476,576	383,201

11. Share capital

	Group	Company	
	Share Capital RMB'000	No of shares issued	Share Capital RMB'000
Issued and fully paid:			
As at 1 January and 31 December 2017	359,700	196,133,152	1,737,554

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions.

There were no treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

At 31 December 2017, there were no share options issued by the Company.

12. Loans and borrowings

Amount repayable in one year or less, or on demand

As at 31 December 2017		As at 31 December 2016	
Secured	Unsecured	Secured	Unsecured
RMB '000	RMB '000	RMB '000	RMB '000
1,116,397	54	1,738,702	130

Amount repayable after one year

As at 31 December 2017		As at 31 December 2016	
Secured	Unsecured	Secured	Unsecured
RMB '000	RMB '000	RMB '000	RMB '000
875,186	137	1,345,088	-

Details of any collateral

The bank borrowings for the Group include banker's acceptance, finance lease liabilities, bank overdrafts and bank loans of its subsidiaries. The bank borrowings, excluding finance lease liabilities, are secured by:

(i) Legal mortgage of the assets of subsidiaries, development properties and investment properties;

(ii) Legal mortgage of the property, plant and equipment;

(iii) Corporate guarantee from the Company; and

(iv) Guarantees from third party.

13. Dividend

The Board did not declare or recommend any dividend for the twelve months ended 31 December 2017 (FY2016: S$ nil).

14. Earnings per share

	GROUP		GROUP	
	4th Quarter Ended		12 Months ended	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Profit attributable to owners of the Company (RMB'000)	142,927	35,159	116,161	65,349
Weighted average number of ordinary shares in issue (in thousands)	196,133	196,133	196,133	196,133
Earning per ordinary share:				
(i) Based on weighted average number of ordinary shares in issue (RMB cents)	72.87	17.93	59.23	33.32
(ii) On a fully diluted basis (RMB cents)	72.87	17.93	59.23	33.32

Diluted earnings per ordinary share is calculated on the same basis as basic earnings per ordinary share as there were no potential dilutive ordinary shares as at 31 December 2017 and 31 December 2016.

15. Net asset value

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 is as follows:-

	GROUP		COMPANY	
	31-Dec-17	31-Dec-16	31-Dec-17	31-Dec-16
Net assets attributable to owners of the Company (RMB'000)	1,316,563	1,201,343	1,636,650	1,648,420
Number of ordinary shares (in thousands)	196,133	196,133	196,133	196,133
Net asset value per ordinary share based on issued share capital of the issuer at the end of the financial year (RMB)	6.71	6.13	8.34	8.40

16. Capital commitment

Capital commitment contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	Group	
	31 December 2017 RMB'000	31 December 2016 RMB'000
(i) Development expenditures authorised and contracted for	811,290	540,331

17. Contingent liabilities

At the respective reporting dates, the contingent liabilities of the Group are as follows:

	Group	
	31 December 2017 RMB'000	31 December 2016 RMB'000
Guarantees given to banks in connection with banking facilities granted to third parties	593,752	1,161,827

The Group arranges with various domestic banks in the PRC to provide loan and mortgage facilities to purchasers of its properties prior to the transfer of land title deeds. In line with the consumer banking practices in the PRC, these banks require the Group to provide guarantees in respect of these loans including the principal, interest and other incidental costs. The Group is required to maintain certain amounts of cash in designated bank accounts which are pledged to the banks. If a purchaser defaults on a loan, the relevant mortgagee bank is entitled to deduct the amount repayable from the restricted cash account.

These guarantees provided by the Group to the banks would be released by the banks upon the receipt of the building ownership certificate of the respective properties by the bank from the customers when it is issued by the relevant authorities.

18. Gearing ratio

	Group	
	31 December 2017 RMB'000	31 December 2016 RMB'000
Loans and borrowings	1,991,774	3,083,920
Less: Cash and cash equivalents	(800,198)	(1,083,179)
Net debt	1,191,576	2,000,741
Equity attributable to owners of the Company	1,316,563	1,201,343
Gearing ratio	91%	167%

19. Share options

As at 31 December 2017, Company does not have any employee share option scheme.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

	GROUP			GROUP		
	4Q2017 RMB'000	4Q2016 RMB'000	% change +/(-)	FY2017 RMB'000	FY2016 RMB'000	% change +/(-)
Property Development						
Sales	1,003,030	137,999	627%	1,678,926	681,652	146%
Cost of sales	(915,381)	(124,538)	635%	(1,460,777)	(489,806)	198%
Gross profit	87,649	13,461		218,149	191,846	
Gross Profit Margin	9%	10%		13%	28%	
Housing Construction						
Sales	-	-	-	-	182	-100%
Cost of sales	-	-	-	-	(434)	-100%
Gross profit	-	-		-	(252)	
Gross Profit Margin	n.m	n.m		n.m	-138%	
Equipment Manufacturing						
Sales	23,154	16,054	44%	69,116	59,587	16%
Cost of sales	(17,779)	(9,979)	78%	(47,786)	(38,775)	23%
Gross profit	5,375	6,075		21,330	20,812	
Gross Profit Margin	23%	38%		31%	35%	

Revenue and Gross Profit Margin ("GP Margin")

Property development business

4Q2017 property development sales increased by 627% to approximately RMB1.0 billion as compared to same period of last year. The higher sales were mainly caused by higher total net saleable floor area ("NSFA") handed over to customers of approximately 113,297.4 sqm (4Q2016: 20,402.3 sqm). FY2017 property development sales was 146% higher as compared to same period of last year mainly due to higher total NSFA handed over to customers in 2Q2017 and 4Q2017. Overall, total NSFA handled over to customers for FY2017 was approximately 235,368.1 sqm (FY2016: 103,669.9 sqm).

Revenue from property development sales for FY2017 was mainly from the following projects, namely Weiye Shangcheng Yihaoyuan, Weiye Central Park Phase III, IV & V, Weiye Oxygen Cube A Phase II & III and Weiye Tiandao International, which contributed approximately RMB797.3 million, RMB597.6 million, RMB133.1 million and RMB119.7 million, respectively.

The GP margin of property development business for 4Q2017 was relatively consistent with that of last year. The GP margin of property development business for FY2017 was 15% lower than same period of last year mainly due to increase in overall project construction cost and lower average selling price of Weiye Shangcheng Yihaoyuan as a result of group sales.

Housing construction business

As part of the PRC Henan local government's urbanisation plan, the Group was contracted by the former to build resettlement houses. As of 31 December 2014, the construction of the resettlement houses phase I has been completed in accordance with the construction agreement. Revenue recognised for FY2016 was mainly from construction of additional ancillary facilities as requested by the local government. There was no construction work in FY2017.

Equipment business

The sales of equipment comprised mainly of sales of clean room equipment, heating, ventilation and air conditioning, air purification, grilles, diffuser and marine damper products. Sales in 4Q2017 and FY2017 was 44% and 16% higher as compared to the same periods of the last year respectively mainly due to higher sales of clean room equipment product in the year under review as a result of recovery of semiconductor industry, as well as higher sales of air purification products resulted from business expansion in China.

The GP margin for equipment business for 4Q2017 and FY2017 was lower compared to the same periods of last year mainly due to the stiff market competition which caused lower average selling price and increase in raw material cost especially steel price.

Other income

Other income for FY2017 comprised mainly of the Group's disposal of right to sell development property units approximately RMB60.0 million and rental income of approximately RMB3.2 million.

Selling and distribution expenses

The higher selling and distribution expenses for 4Q2017 and FY2017 was mainly due to more promotional activities for development projects namely Weiye Yehai Shangcheng and Weiye Shangcheng Yihaoyuan and more agent commission paid for sales of development properties of Weiye Oxygen Cube A Phase I, II and III during the period under review.

Administrative expenses

Administrative expenses for 4Q2017 and FY2017 were higher as compared to the same period of last year mainly due to the expansion of property development business in the PRC Pearl River Delta region as well as higher travelling and entertainment expenses during the period under review.

Net finance income/(expenses)

Net finance income was reported in 4Q2017 mainly due to savings in interest cost. Lower net finance income was reported for FY2017 as compared to same period of last year mainly caused by lower interest income earned during the period under review.

Share of profit of joint venture

This refers to the Group's share of net profit after tax of the joint venture of Daimashi Shiye Co., Ltd ("Daimashi").

Taxation

The increase in taxation for FY2017 was mainly due to higher provision of corporate income tax of approximately RMB26.7 million as a result of higher net profit before tax during the period under review, and higher provision of land appreciation tax of approximately RMB7.6 million as a result of higher average selling price of certain development property. This was partially offset by lower deferred tax expense of approximately RMB8.7 million.

Review of Financial Position

Joint venture refers to investment in Daimashi whereby both the Group and Zhengzhou Century CITIC Real Estate Co., Ltd jointly develop the land held by Daimashi. The increase in joint venture was mainly due to the Group's share of profit of Daimashi of approximately RMB114.5 million during the period under review.

The increase in the amount due from joint venture partner was mainly due to the interest accrued during the period under review.

The increase in development properties of approximately RMB100.5 million was mainly due to acquisition of new land banks and the progressive construction works of Weiye Yehai Shangcheng, Weiye Meiyue Wan and Weiye Lanting Wan in the year under review.

The increase in trade and other receivables of approximately RMB20.0 million was mainly due to receivable from government relation to a resettlement house construction project of approximately RMB230.0 million, partly offset by capitalisation of a land bidding deposit of approximately RMB76.6 million in relation to land plot No. 2 of Weiye Shangcheng Yihaoyuan, repayment of advances of approximately RMB118.9 million received from third party and contractors and collection from trade receivables of approximately RMB12.1 million.

The increase in prepaid tax of approximately RMB106.7 million was mainly due to prepayment of corporate income tax for advance receipt from sales of properties for Weiye Yehai Shangcheng and Weiye Shangcheng Yihaoyuan.

The increase in trade and other payables was mainly from additional billings for construction of new projects such as Weiye Meiyue Wan, Weiye Lanting Wan and Weiye Shangcheng Erhaoyuan in the period under review.

The increase in advance receipts from sale of properties was mainly from Weiye Shangcheng Erhaoyuan and Weiye Yehai Shangcheng in the period under review.

The amount due to joint venture represents cash advances from Daimashi, which is unsecured and non-interest bearing.

The decrease in loans and borrowings was mainly due to the loan repayment during the period under review.

Cash flow statement

Cash flows from operating activities before changes in working capital amounted to approximately RMB111.5 million. Cash flow from working capital amounted to approximately RMB892.5 million mainly due to increase in trade and other payables of approximately RMB827.1 million. After changes in working capital and payment for income tax of approximately RMB191.7 million, net cash flow generated from operating activities amounted to approximately RMB812.4 million.

Net cash generate from investing activities amounted to approximately RMB25.4 million mainly due to interest received of approximately RMB30.2 million and proceed from disposal of other investment of approximately RMB5.8 million, partly offset by purchase of other investment of approximately RMB10.7 million and purchase of property, plant and equipment of approximately RMB5.1 million.

Net cash used in financing activities amounted to approximately RMB979.8 million mainly due to repayment of bank borrowings of approximately RMB2.6 billion and interest payment of approximately RMB222.3 million, partly offset by proceeds from bank borrowings of approximately RMB1.5 billion, amount due to non-controlling interests of approximately RMB184.1 million and decrease in restricted cash of approximately RMB141.2 million.

PROSPECTS (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)

In 2017, China's national gross domestic product grew 6.9% year-on-year (“y-o-y”). The nominal per capita disposable income of China's residents increased by 9.0% y-o-y, with a real growth rate of 7.0% (excluding price factor), which was 1.0% higher than the previous year. The investment in real estate development in China increased by 7.0% y-o-y in 2017, which was 0.1% higher than last year. Generally speaking, the China national economy has continued to develop and grow steadily in 2017, with a solid step forward towards full realization of a well-being society.

Henan province, being the Group’s primary market, recorded a GDP growth of 7.8% in the year 2017, being 0.9% higher than national average level. As a result of continuous implementation of property control measures, Henan province is experiencing a “cold supply, hot selling and stock reduction” situation. According to the official statistics, its annual acquisition of land bank and construction of new housing reduced by 8.4% and 7.1% respectively, while sale of commercial housing grew by 17.8%, the commercial housing stock dropped by 16.2%. Meanwhile, Hainan province, another region where the Group operates, recorded a GDP growth of 7.0% y-o-y in 2017, which was 0.1% higher than projection, with real estate sector showing highest growth rate of 20.1%. Guangdong province Shenzhen city, another rapid growing region where the Group operates, reported a stable GDP growth of 8.8% y-o-y in 2017, which was 1.9% higher than the national average. While demonstrating higher than National GDP growth, all of the three provinces have experienced a slowdown in certain economic indices, which is in line with the Chinese government’s effort in stabilizing the property market. The existing property control measures currently in place are expected to continue in the short run, and the government's new public rental housing policies is expected to further affect the real estate market adversely. Therefore, the group believes that its property development business will face more challenges in the next 12 months.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2017, there were 425 (FY2016: 416) employees in the Group. Total employee benefits expenses of the Group (including Directors' fee) for twelve months period ended 31 December 2017 were approximately RMB77.9 million (FY2016: RMB64.2 million). Staff remuneration packages are determined based on each employee's qualifications, experience, position and seniority. The Group also provides other staff benefits including medical and life insurance, and grants discretionary incentive bonuses to eligible staff based on their performance and Group's results of operations.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

There was no purchase, redemption or sale of listed securities of the Company in the twelve months ended 31 December 2017.

MATERIAL ACQUISITIONS AND DISPOSALS

There was no material acquisition and disposal of subsidiaries by the Group during the twelve months ended 31 December 2017.

REVIEW BY AUDIT COMMITTEE

The Audit Committee of the Company comprises three independent non-executive directors as at the date of this statement, who are:

Ong Kian Guan (Chairman)
Oh Eng Bin
Siu Man Ho Simon

The Audit Committee has reviewed the Group's unaudited condensed consolidated financial statements for the twelve months ended 31 December 2017.

COMPLIANCE WITH CORPORATE GOVERNANCE CODES

The Group has applied the principles and the extent of compliance with the guidelines as set out in the Singapore Code of Corporate Governance 2012 (the "**Code**") and the applicable code provisions of the Corporate Governance Code (the "**HK CG Code**") as set out in Appendix 14 to the Rules (the "**Hong Kong Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**SEHK**") to provide the structure through which the objectives of protection of shareholders' interest and enhancement of long term shareholders' value are met. In the event of any conflict between the Code and the HK CG Code, the Group will comply with the more onerous provisions. Throughout the twelve months ended 31 December 2017, the Group has complied with the Code and the HK CG Code, except those appropriately justified and disclosed.

COMPLIANCE WITH LISTING MANUAL AND HONG KONG MODEL CODE

In compliance with Rules 1207(19) of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Hong Kong Listing Rules, the Company has adopted its own internal compliance code pursuant to the SGX-ST's and the Model Code's best practices on dealings in securities and these are applicable to all its Officers in relation to their dealings in the Company's securities. In furtherance, specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the twelve months ended 31 December 2017.

The Company and its Officers are not allowed to deal in the Company's shares during the period commencing 30 days immediately before the announcement of the Company's quarterly results and 60 days immediately before the announcement of the Company's full year results, and ending on the date of the announcement of the relevant results.

The Directors, Management and executives of the Group are also expected to observe relevant insider trading laws at all times, even when dealing in securities within permitted trading period or they are in possession of unpublished price-sensitive information of the Company and they are not to deal in the Company's securities on short-term considerations.

AUDIT OR REVIEW OF THE FINANCIAL RESULTS

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 December 2017 have been compared by the Company's auditors, KPMG LLP, to the amounts set out in the Group's draft financial statements for the year ended 31 December 2017 and the amounts were found to be in agreement. The work performed by KPMG LLP in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance has been expressed by the auditors on this announcement.

ANNUAL GENERAL MEETING

It is proposed that the annual general meeting of the shareholders of the Company will be held on a date to be fixed by the Board. Notice of annual general meeting will be published and dispatched to the shareholders of the Company in due course.

PUBLICATION OF INFORMATION ON THE WEBSITES OF HONG KONG EXCHANGES AND CLEARING LIMITED, THE COMPANY AND SINGAPORE EXCHANGE SECURITIES TRADING LIMITED

The results announcement is published on the website of Hong Kong Exchanges and Clearing Limited (the "HKEx") at www.hkexnews.hk, the website of the Company at www.weiyeholdings.com and the website of the SGX-ST at www.sgx.com. The annual report of the Company for the twelve months ended December 31, 2017 will be despatched to the Shareholders and published on the respective websites of the HKEx, SGX-ST and the Company in due course.

SUPPLEMENTARY INFORMATION

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

   Not applicable. No prospect statement was previously disclosed in the 3rd quarter result announcement for the financial period ended September 30, 2017.

2. ***If the Group has obtained a general mandate from Shareholders for interest person transactions (the "IPTs"), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii) of the Listing Manual of SGX-ST. If no IPT mandate has been obtained, a statement to that effect***

   No general mandate has been obtained from its Shareholders for IPTs.

3. ***A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on***

   As at 31 December 2017, there were no sales, transfers, cancellation and / or use of subsidiary holdings.

4. ***Negative assurance confirmation on interim financial results under Rule 705(5) of the Listing Manual of SGX-ST***

   On behalf of the Board, we confirm that, to the best of our knowledge, nothing has come to the attention of the Board which may render the Group's full year financial results for the twelve months ended December 31, 2017 to be false or misleading in any material aspect.

5. A breakdown of sales as follows:—

		31-Dec-17 RMB'000	31-Dec-16 RMB'000	% Increase/ (decrease)
(a)	Sales reported for first half year	603,290	390,914	54.3%
(b)	Operating (loss)/profit after tax before deducting non-controlling interests reported for first half year	(6,230)	34,811	n.m
(c)	Sales reported for second half year	1,144,752	350,507	226.6%
(d)	Operating profit after tax before deducting non-controlling interests reported for second half year	133,197	44,261	200.9%

Note:
n.m: Not meaningful

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

		31-Dec-17 SGD'000	31-Dec-16 SGD'000
(a)	Ordinary share	-	-
(b)	Preference share	-	-
(c)	Total	-	-

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was	Details of changes in duties and position held, if any, during the year
Chen Zhiyong	48	Brother-in-law of Zhang Wei	Executive Director and Chief Operating Officer, responsible for procuring, directing, authorizing, monitoring and budgeting of construction material for property development projects of the Group.	Not applicable
Ma Wei	43	Cousin of Zhang Wei	Vice president of project operations department	Not applicable

8. Undertakings from the Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual of SGX-ST

On behalf of the Board, we confirm that we have procured all the required undertakings to comply with SGX-ST's listing rules from all the Directors and executive officers of the Company.

On Behalf of the Board of Directors

Zhang Wei	Chen Zhiyong
Executive Chairman and Chief Executive Officer	Executive Director
28 February 2018	28 February 2018

As at the date of this announcement, the executive Directors are Zhang Wei and Chen Zhiyong; the non-executive Director is Dong Xincheng; and the independent non-executive Directors are Ong Kian Guan, Oh Eng Bin and Siu Man Ho Simon.