



Fabchem China Limited

Company registration number : 200413128G

Financial Statements for the 1st Quarter ended 30 June 2019 (“1Q2020”)

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

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

	Group		Increase/ (Decrease) %
	3 months ended 30 June 2019 RMB'000	3 months ended 30 June 2018 RMB'000	
Revenue	29,339	45,076	(34.9)
Cost of sales	(21,306)	(39,108)	(45.5)
Gross profit	8,033	5,968	(34.6)
<u>Other Items of Income</u>			
Interest income	70	76	(7.9)
Other gains – Note (i)	330	446	(26.0)
<u>Other Items of Expense</u>			
Distribution costs	(3,086)	(4,354)	(29.1)
Administrative expenses	(7,287)	(6,641)	9.7
Finance costs	(1,275)	(1,091)	16.9
Loss before tax	(3,215)	(5,596)	N.M.
Income tax expense	(175)	(174)	0.6
Loss after income tax	(3,390)	(5,770)	N.M.
<u>Other comprehensive income</u>			
Foreign currency translation difference	30	23	N.M.
Total comprehensive loss for the year	(3,360)	(5,747)	N.M.
Note (i) – Other Gains			
Allowance for impairment on trade receivables - reversal	275	145	89.7
Foreign exchange adjustment gain	27	195	(86.2)
Government grant	28	106	(73.6)
	330	446	(26.0)

Loss before tax was stated after crediting / (charging) :-

Amortisation expenses	(401)	(698)	(42.6)
Depreciation expenses	(1,326)	(4,694)	(71.8)
Allowance for impairment on trade receivables - reversal	275	145	89.7
Foreign exchange adjustment gain	27	195	(86.2)
Interest expense	(1,275)	(1,091)	16.9
Interest income from bank deposits	70	76	(7.9)

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	Unaudited 30 June 2019 RMB'000	Audited 31 March 2019 RMB'000	Unaudited 30 June 2019 RMB'000	Audited 31 March 2019 RMB'000
ASSETS				
Non-current assets :				
Property, plant and equipment	103,297	101,680	-	-
Other assets, non-current	61,840	62,241	-	-
Investment in subsidiary	-	-	114,414	111,608
Deferred tax assets	15,756	15,756	-	-
Total non-current assets	180,893	179,677	114,414	111,608
Current assets :				
Assets held for sales	3,053	3,053	-	-
Inventories	25,305	22,912	-	-
Trade and other receivables (Note 1)	25,429	31,018	2,471	4,738
Other assets, current	14,137	13,127	131	199
Cash and cash equivalents	85,467	83,207	134	804
Total current assets	153,391	153,317	2,736	5,741
Total assets	334,284	332,994	117,150	117,349
EQUITY AND LIABILITIES				
Capital and reserves :				
Share capital	116,849	116,849	116,849	116,849
Accumulated losses	(16,991)	(13,601)	(4,510)	(1,802)
Other reserves	89,018	88,988	2,172	(664)
Total equity	188,876	192,236	114,511	114,383
Non-Current liabilities :				
Deferred tax liabilities	2,350	2,175	-	-
Other payables, non-current (Note 2)	19,832	19,508	-	-
Total non-current liabilities	22,182	21,683	-	-
Current liabilities :				
Withholding tax payable	-	250	-	-
Trade and other payables (Note 2)	57,261	56,453	2,639	2,966
Other financial liabilities, current	58,000	58,000	-	-
Other liabilities	7,965	4,372	-	-
Total current liabilities	123,226	119,075	2,639	2,966
Total liabilities	145,408	140,758	2,639	2,966
Total liabilities and equity	334,284	332,994	117,150	117,349
Note 1				
Trade receivables	22,764	29,276	-	-
Amount receivable from subsidiary	-	-	2,471	4,738
Other receivables	2,665	1,742	-	-
Trade and other receivables	25,429	31,018	2,471	4,738
Note 2				
Trade payables and accruals	53,616	53,963	1,938	1,938
Other payables	3,645	2,490	701	1,028
Trade and other payables, current	57,261	56,453	2,639	2,966
Other payables, non-current	19,832	19,508	-	-
Trade and other payables	77,093	75,961	2,639	2,966

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

Amount repayable in one year or less, or on demand

(RMB'000)

30 June 2019		31 March 2019	
Secured	Unsecured	Secured	Unsecured
58,000	-	58,000	-

Amount repayable after one year

(RMB'000)

30 June 2019		31 March 2019	
Secured	Unsecured	Secured	Unsecured
-	-	-	-

Details of any collateral

As at 30 June 2019, the Group has aggregate secured short-term loans from financial institutions of RMB 58.0 million.

Secured short-term loans of RMB 58.0 million are secured using our subsidiary, Shandong Yinguang Technology Co., Ltd ("Yinguang Technology")'s land and buildings with net book value of approximately RMB 64.7 million. The secured short-term loans bear interest rate 4.35% to 5.0427% per annum.

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

	Group	
	3 months ended 30 June 2019 RMB'000	3 months ended 30 June 2018 RMB'000
Cash flows from operating activities		
Loss before tax	(3,215)	(5,596)
Adjustments for :		
Amortisation expenses	401	698
Depreciation expense	1,326	4,694
Interest income	(70)	(76)
Interest expenses	1,275	1,091
Allowance for impairment on trade receivables – reversal	(275)	(145)
Provision for safety expenses	572	649
Net effect of exchange rate changes in translation of financial statements of Parent	30	22
Operating profit before working capital changes	44	1,337
Inventories	(2,393)	(250)
Trade and other receivables	5,864	7,432
Other assets	(1,010)	(4,408)
Trade and other payables	808	(1,464)
Other liabilities	3,021	(1,390)
Net cash generated from operations before tax	6,334	1,257
Income tax paid	(250)	(250)
Net cash from operating activities	6,084	1,007
Cash flows from investing activities		
Purchase of property, plant and equipment	(2,943)	(3,221)
Interest received	70	76
Net cash used in investing activities	(2,873)	(3,145)
Cash flows from financing activities		
Proceeds from bank borrowings	30,000	30,000
Repayment of borrowings	(30,000)	(30,000)
Interest paid	(951)	(787)
Net cash used in financing activities	(951)	(787)
Net increase/(decrease) in cash	2,260	(2,925)
Cash and cash equivalents at beginning of the period	83,207	89,018
Cash and cash equivalents at end of the period	85,467	86,093

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

	Share capital	Statutory reserve	Capital reserve	Foreign currency translation reserves	(Accumulated losses) / Retained earnings	Total
Group (RMB'000)						
Balance at 1 April 2019	116,849	44,117	44,000	871	(13,601)	192,236
Total comprehensive loss for the period	-	-	-	30	(3,390)	(3,360)
Balance at 30 June 2019	116,849	44,117	44,000	901	(16,991)	188,876
Balance at 1 April 2018	116,849	44,117	44,000	835	143,527	349,328
Total comprehensive loss for the period	-	-	-	23	(5,770)	(5,747)
Balance at 30 June 2018	116,849	44,117	44,000	858	137,757	343,581

	Share capital	Foreign currency translation reserves	Accumulated losses	Total
Company (RMB'000)				
Balance at 1 April 2019	116,849	(664)	(1,802)	114,383
Total comprehensive income for the period	-	2,836	(2,708)	128
Balance at 30 June 2019	116,849	2,172	(4,510)	114,511
Balance at 1 April 2018	116,849	(4,377)	(6,539)	105,933
Total comprehensive income for the period	-	1,586	2,347	3,933
Balance at 30 June 2018	116,849	(2,791)	(4,192)	109,866

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Not applicable.

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

	Group	
	30 June 2019	31 March 2019
Total number of issued shares	46,800,000	46,800,000

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There is no sale, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

There is no sale, transfer, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

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

The figures have not been audited nor reviewed by the auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

The figures have not been audited nor reviewed by the auditors.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The Group has applied the same accounting policies and methods of computation as in the most recently audited financial statements.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

There are no material changes in the accounting policies and methods of computation.

6. **Loss per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group	
	3 months ended 30 June 2019	3 months ended 30 June 2018
	RMB cents	RMB cents
Loss per ordinary share for the year based on net loss after income tax :		
Based on weighted average number of ordinary shares in issue	(7.24)	(12.33)
Weighted average number of ordinary shares in issue for basic earnings per share	46,800,000	46,800,000

There is no dilution of shares as there are no shares under option.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the :-**
 (a) **current financial period reported on; and**
 (b) **immediately preceding financial year.**

	Group		Company	
	30 June 2019	31 March 2019	30 June 2019	31 March 2019
	RMB cents	RMB cents	RMB cents	RMB cents
Net asset value per ordinary share based on the issued shares at the end of the financial year	403.58	410.76	244.68	244.41
Number of issued shares use in calculating net asset value	46,800,000	46,800,000	46,800,000	46,800,000

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

Revenue

Revenue for the 3-month period ended 30 June 2019 ("1Q2020") decreased by approximately RMB 15.7 million or 34.9%, to RMB 29.3 million from RMB 45.1 million for the 3-month period ended 30 June 2018 ("1Q2019"), as lower sales were registered in all of our product segments. In particular, sales of explosive devices and industrial fuse and initiating explosive devices decreased by 44.1% and 42.2% respectively.

Sales of explosive devices decreased mainly due to the temporary shortage of explosives raw materials which affected our production schedule and lowering our production of explosive devices. Sales of industrial fuse and initiating explosive devices decreased as some of our customers' mining operations were affected by additional safety measures implemented by the local authorities since the second quarter of FY2018, as disclosed in our earlier announcements.

Our products can be categorised mainly into (a) explosive devices such as boosters; (b) industrial fuse and initiating explosive devices such as detonating cords and non-electric tubes and (c) industrial detonators such as non-electric detonators and piston non-electric detonators.

The breakdown and comparison of our revenue by the above product types and geographical segments between 1Q2020 and 1Q2019 are as follows:

Product Types	Group				% change
	3 months ended 30 June 2019 ("1Q2020")		3 months ended 30 June 2018 ("1Q2019")		
	RMB'000	%	RMB'000	%	
Explosive devices	10,425	35.5	18,657	41.4	(44.1)
Industrial fuse and initiating explosive devices	5,964	20.3	10,316	22.9	(42.2)
Industrial detonators	12,947	44.1	15,908	35.3	(18.6)
Others ⁽¹⁾	3	0.1	195	0.4	(98.5)
Total revenue	29,339	100.0	45,076	100.0	(34.9)

Geographical Segments	Group				% change
	3 months ended 30 June 2019 ("1Q2020")		3 months ended 30 June 2018 ("1Q2019")		
	RMB'000	%	RMB'000	%	
Within PRC	23,083	78.7	28,776	63.8	(19.8)
<u>Outside PRC</u>					
Australia	6,256	21.3	5,204	11.6	20.2
Sales through export distributors ⁽²⁾	-	-	10,785	23.9	-
Other countries	-	-	311	0.7	-
	6,256	21.3	16,300	36.2	(61.6)
Total revenue	29,339	100.0	45,076	100.0	(34.9)

Notes :

(1) Others include sales of raw materials and packaging materials.

(2) These were sales to export distributors in the PRC in which they export the products to their customers overseas.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following :-

- any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- any material factors that affected the cash flow, working capital, assets and liabilities of the group during the current financial period reported on. (Cont'd)

a) Sales within PRC

Sales within PRC decreased by approximately RMB 5.7 million or 19.8% to RMB 23.1 million in 1Q2020, as compared to RMB 28.8 million in the previous corresponding period. The dip in PRC sales was mainly due to lower sales of industrial fuse and initiating explosive devices as mentioned earlier.

b) Sales to Australia

Sales to Australia increased by approximately RMB 1.1 million of 20.2% from RMB 5.2 million during 1Q2019 to RMB 6.3 million during 1Q2020. The higher sales to Australia was mainly due to shipment to a new customer in Australia.

c) Sales through export distributor and other countries

There were no export sales through export distributor and other countries as there was no scheduled shipment to these overseas customers during the current period under review.

All local PRC sales contracts and export applications sought by export agents have been approved by the Ministry of Industry and Information Technology, Department of Work Safety ("MIIT").

Gross profit margin

During 1Q2020, the Group's gross profit margin improved by approximately 14.2 percentage points, from 13.2% in 1Q2019 to 27.4% in 1Q2020. With the impairment allowance made on the property, plant and equipment during the last financial year, depreciation expenses that were charged to costs of sales decreased significantly during 1Q2020, resulting in the improvement of the Group's gross profit margin.

Interest income / (Finance costs)

Interest income remained relatively unchanged at RMB 70,000 in 1Q2020.

Finance costs increased by approximately RMB 184,000 mainly due to slightly higher imputed interest expense on financial liabilities measured at amortised cost of approximately RMB 324,000 and higher bank lending interest rates in the general market during 1Q2020 as compared to 1Q2019.

Other gains

For 1Q2020, other gains include the reversal of allowance for impairment on trade receivables of RMB 275,000, foreign exchange adjustment gain of approximately RMB 27,000 and government grants of approximately RMB 28,000. For 1Q2019, other gains include the reversal of allowance for impairment on trade receivables of RMB 145,000, foreign exchange adjustment gain of approximately RMB 195,000 and government grants of approximately RMB 106,000. Government grants relate to the miscellaneous grants from governments on an ad hoc basis. Foreign exchange adjustment gain or loss arises from foreign exchange rate changes between Renminbi (RMB), US Dollars and Singapore Dollars.

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

Operating expenses

In line with lower revenue registered, the Group's distribution expenses decreased by 29.1% from RMB 4.4 million during 1Q2019 to RMB 3.1 million during 1Q2020. Administrative expenses increased by approximately RMB 0.6 million or 9.7% mainly due to the professional fees incurred for the mandatory conditional cash offer as announced by the Company on 18 March 2019.

Amortisation expense decreased by approximately RMB 297,000 or 42.6% mainly due to disposal of land use rights during the last financial year.

Depreciation expenses decreased by approximately RMB 3.4 million or 71.8% mainly due to the impairment allowance made on the property, plant and equipment during the last financial year.

Income tax expenses

The income tax expenses was mainly due to the provision of withholding tax for the Group.

Statement of Financial Position

Property, plant and equipment increased by approximately RMB 1.6 million, mainly due to purchases of property, plant and equipment during the current period under review, partially offset by the depreciation charged for the current period under review.

Other assets, non-current relate to the Group's land use rights, which decreased by approximately RMB 0.4 million due to the amortisation charges during the current period under review.

Deferred tax assets relate mainly to the deferred tax differences for the allowance for impairment on trade and other receivables, provision for safety expenses and deferred tax on tax losses incurred.

Assets held for sales, inventories, trade and other receivables, other assets and cash and cash equivalents, represented approximately 2.0%, 16.5%, 16.6%, 9.2% and 55.7% respectively of our total current assets as at 30 June 2019.

Assets held for sales of approximately RMB 3.1 million relate to certain land and building that were not being in use but held for sale before December 2019.

Inventories increased by approximately RMB 2.4 million or 10.4% to RMB 25.3 million as at 30 June 2019, as compared to RMB 22.9 million as at 31 March 2019. The increase in inventories was due to more finished goods as at 30 June 2019.

During the current quarter under review, trade and other receivables decreased by approximately RMB 5.6 million or 18.0% to RMB 25.4 million as at 30 June 2019 due mainly to recovery of debts from customers.

Other assets, current comprising the Group's prepayments, increased slightly by approximately RMB 1.0 million or 7.7% to RMB 14.1 million as at 30 June 2019.

Non-current liabilities relates to the long-term payable at amortised cost for the purchase of office property from a related party which was approved during the Extraordinary General Meeting on 31 July 2017 of approximately RMB 19.8 million and deferred tax liabilities of RMB 2.4 million for the withholding tax on the dividend payable by our subsidiary in China.

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

Statement of Financial Position (Cont'd)

As at 30 June 2019, our current liabilities comprised of trade and other payables of approximately RMB 57.3 million, other current financial liabilities of approximately RMB 58.0 million and other liabilities of RMB 8.0 million.

Trade and other payables increased marginally by approximately RMB 0.8 million or 1.4% during 1Q2020.

As at 30 June 2019, other current financial liabilities of RMB 58.0 million relates to the secured bank loans of Yinguang Technology.

Other liabilities of approximately RMB 8.0 million relate to the Group's provision for safety expenses and advances from customers. The increase of approximately RMB 3.6 million or 82.2% from approximately RMB 4.4 million as at 31 March 2019 to approximately RMB 8.0 million as at 30 June 2019 is mainly due to more advances from customers for the purchase of our commercial explosives products.

Cash flow

For the current quarter ended 30 June 2019, the Group's net cash from operating activities amounted to approximately RMB 6.1 million, while net cash used in investing activities and financing activities, continuing operations amounted to approximately RMB 2.9 million and RMB 951,000, respectively.

The net cash from operating activities of approximately RMB 6.1 million was mainly due to lower trade and other receivables and increase in other liabilities.

The net cash used in investing activities of approximately RMB 2.9 million was mainly due to the purchase of property, plant and equipment.

The net cash used in financing activities of approximately RMB 951,000 was due the payment of interest expenses.

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

The current first quarter results for the 3-months period ended 30 June 2019 are in line with the Company's commentary as disclosed under paragraph 10 of the full year results announcement for the financial year ended 31 March 2019.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Update on our boosters production facilities

As previously announced, Yinguang Technology's second automated boosters production line has successfully passed the relevant authority's inspection and was approved for trial production during April 2017. However, for safety measures and precautions, the management is gradually scaling up the production capabilities of this second automated boosters production line. As our automated boosters production line is developed based on our own in-house technology with no other comparable, we are constantly monitoring and calibrating the technology to improve safety and production efficiency, hence it is difficult for the Group to estimate the duration required to fully scale-up the second production line given the sensitive product-nature of commercial explosives.

As mentioned in our FY2019 results announcement, the Group's third automated boosters production line is expected to be completed during the third quarter of our financial year, i.e. by 1 October 2019.

Mergers and Acquisitions

Since 2017, the PRC government has begun to rationalise the commercial explosives industry by encouraging companies within this specialized and niche market segment to merge and consolidate their business operations. Aligned with this government policy and to meet the various requirements of the MTP Exit Criteria under Rule 1314(2) of the SGX-ST's Listing Manual, the Group is proactively exploring merger and acquisition opportunities in the PRC.

On 18 June 2018, the Company announced the proposed acquisition of Shandong Laizhou Ping'an Commercial Explosives Co., Ltd. ("Laizhou Ping'an"). On 31 January 2019, the Company released an announcement to update the status of the acquisition. For more information on the proposed acquisition of Laizhou Ping'an, please refer to the announcement on 18 June 2018 and 31 January 2019.

The Company will continue to make the appropriate announcements as and when there is any material development with respect to any potential material acquisition.

11. **Dividend**

(a) ***Current Financial Period Reported On***

Any dividend declared for the current financial period reported on?

None.

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

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

None.

(c) ***Date payable***

Not applicable.

(d) ***Books closure date***

Not applicable.

12. **If no dividend has been declared/recommended, a statement to that effect.**

No dividend has been declared/recommended for the current financial period reported on as the Company is making losses.

13. Interested Person Transaction

		Aggregate value of all interested person transaction (excluding transactions less than \$100,000 and transactions conducted under a shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under a shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)	
		1Q2020	1Q2019	1Q2020	1Q2019
Name of interested person	Nature	RMB'000	RMB'000	RMB'000	RMB'000
Shandong Yinguang Security Services Co., Ltd ⁽¹⁾	Provision of security service	-	-	6,200	6,200
Wulian Hanyue Blasting Services Co., Ltd ⁽¹⁾	Sales of commercial explosives	-	-	-	1,410

Footnote:

⁽¹⁾ The relevant general mandate was approved at the Extraordinary General Meeting held on 31 July 2017 and was updated and approved at the Annual General Meeting held on 31 July 2019.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720(1) of the Listing Manual.

15. Negative assurance confirmation pursuant to Rule 705(5) of the Listing Manual

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited 1st quarter financial statements set out above to be false or misleading in any material aspect.

For and On behalf of the Board of Directors

Bao Hongwei
Managing Director

Sun Bowen
Director

**BY ORDER OF THE BOARD
BAO HONGWEI
MANAGING DIRECTOR
14 AUGUST 2019**