




Changgang Dunxin Enterprise Company Limited
長港敦信實業有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock code : 2229

INTERIM REPORT 2016



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CORPORATE INFORMATION

BOARD OF DIRECTOR

Executive director

Mr. Zheng Dunqian (*Chief Executive Officer*)
 Mr. Chen Ruomao (*Chief Financial Officer*)
 Mr. Yuan Chao
 Mr. Yeung Wing Nam
 Mr. Wong Sing Chui
 Ms. Huang Xiao Wen

Independent non-executive director

Mr. Lo Pak Ho
 Mr. Ye Deshan
 Mr. Hu Zhenghui

AUDIT COMMITTEE

Mr. Lo Pak Ho (*Chairman*)
 Mr. Ye Deshan
 Mr. Hu Zhenghui

NOMINATION COMMITTEE

Mr. Hu Zhenghui (*Chairman*)
 Mr. Ye Deshan
 Mr. Lo Pak Ho

REMUNERATION COMMITTEE

Mr. Ye Deshan (*Chairman*)
 Mr. Hu Zhenghui
 Mr. Lo Pak Ho

AUTHORIZED REPRESENTATIVES

Mr. Chen Ruomao
 Mr. Wong Sing Chui

COMPANY SECRETARY

Mr. Lau Kin Hon

REGISTERED OFFICE

Cricket Square
 Hutchins Drive
 P.O. Box 2681
 Grand Cayman KY1-1111
 Cayman Islands

PRINCIPAL PLACE OF BUSINESS

In Hong Kong

Office No. 3, 13th Floor
 Boss Commercial Centre
 No. 28 Ferry Street
 Kowloon
 Hong Kong

In the PRC

Jinlin Industrial Park
 Yanxi Town
 Changtai County
 Zhangzhou City
 Fujian Province
 the PRC

PRINCIPAL BANKERS

In Hong Kong

DBS
 The Bank of East Asia

In the PRC

Agricultural Bank of China
 Bank of China
 China Construction Bank
 China Merchants Bank
 China Everbright Bank
 Industrial and Commercial Bank of China

CORPORATE INFORMATION (CONTINUED)

AUDITOR

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Unit 701, 7/F, Citicorp Centre
18 Whitfield Road
Causeway Bay, Hong Kong

HONG KONG SHARE REGISTER

Tricor Investor Services Limited
Level 22
Hopewell Centre
183 Queen's Road East
Hong Kong

STOCK CODE

2229

WEBSITE

<http://www.dxwj.com>

CHIEF EXECUTIVE OFFICER'S STATEMENT

Dear Shareholders,

On behalf of the Group, I hereby present the interim report for the Period. On behalf of the Board, I would also like to express my heartfelt gratitude to all shareholders and friends from various communities for their care extended to the development of the Group.

BUSINESS REVIEW

In the first half of 2016, the Group's revenue and profit attributable to the owners of the Company for the six months ended 30 June 2016 declined as compared with those for the corresponding period in 2015. Such anticipated decline is mainly attributable to (i) the decreases in turnover and net profit of the Group as a result of the downward trend of selling price of the products in market; (ii) additional interest expenses incurred for the issued corporate bonds. For the six months ended 30 June 2016, the Group's total revenue achieved approximately RMB396.6 million and net profit of approximately RMB27.0 million, decreased by 11.9% and 51.9% respectively when compared to the corresponding period in 2015.

Due to the reasons listed above, the Group slightly lowered its gross profit margin from 20.4% to 18.0%. The sales volume for corrugated medium boards and boxes and poker cards decreased by 1.2% and 0.7% respectively; while sales volume for paperboards increased by 4.1%.

PROSPECTS

Benefiting from the Group's low level of borrowings, cost control ability and high gross profit margin with its product mix, the Group will continue to expand further into the downstream production lines in future, striving for greater returns for all shareholders of the Company in the future.

The Board is proactively assessing options to enhance production and earning capability from time to time.

Since the change of PRC governments' policy on the elimination of obsolete production capacities, which requires gradually phase out those paper manufacturers with backward production capacity and below set standard of environmental requirements, the management of the Group has confidence in the prospects and competitiveness of the business due to well equipped production facilities and its solid position in the industry.

DIVIDEND

In view of the Group's positive financial position and business performance, the Board is actively reviewing the Company's dividend policy, and taking into account the Group's operations, earnings, capital requirements and other relevant factors, the Board considers the possibility of payment of dividend in coming financial year-end.

Zheng Dunqian

Chief Executive Officer

Hong Kong, 12 August 2016

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

The Group produces and sells a broad variety of upstream packaging paperboard products (including white top linerboard, kraftlinerboard and high performance corrugated medium), as well as downstream products comprise of corrugated medium boards and boxes and poker cards.

During the period from 1 January 2016 to 30 June 2016, leveraging upon its management and operation team's extensive experience and its relationship with its customers, the Group continuing to maintain a balance between production and sales with reasonable inventory at low levels. All machineries were in sound operation state at near full capacity, with paperboard production lines operating at 77.2%, corrugated medium boards and boxes at 89.4% and poker cards at 94.2% of designed production capacity.

RESULTS OF OPERATION

Revenue

(i) Paperboards

The sales volume of the Group's paperboard products increased from 82,100 tonnes in the first half year of 2015 to 85,478 tonnes in the first half year of 2016. The growth was largely contributed by the increased sales efforts of the Group by building solid relationships with its existing customers and potential new customers.

Revenue from sales of paperboard products decreased from approximately RMB273.4 million in the first half year of 2015 to approximately RMB236.2 million in the first half year of 2016, at approximately 13.6%.

The decrease was due to the Group's strategy to lower the profit margin so that the average selling price of its paperboards lowered from RMB3,223 per tonne to RMB2,723 per tonne.

(ii) Corrugated medium boards and boxes

Revenue from sales of corrugated medium boards and boxes decreased from approximately RMB93.7 million in the first half year of 2015 to approximately RMB84.7 million in the first half year of 2016, representing a drop of approximately 9.6%, the sales volume slightly dropped by approximately 338,000 sq.m. or 1.2% as compared to the corresponding period in 2015. The average unit selling price decreased by approximately 8.5% from approximately RMB3.42 per sq.m. to RMB3.13 per sq.m.

(iii) Poker Cards

Revenue from sales of poker card products decreased from approximately RMB83.1 million in the first half year of 2015 to approximately RMB75.7 million in the first half year of 2016, representing a drop of approximately 8.9% due to the drop of average unit selling price and sales volume. The sales volume of poker card products decreased from approximately 81.5 million sets to 80.9 million sets, representing a decrease of approximately 0.7%; whereas the average unit selling price decreased by approximately 8.3% from approximately RMB1.02 per set to RMB0.94 per set.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

Gross Profit and Gross Profit Margin

The gross profit decreased by approximately RMB20.4 million or 22.2% from approximately RMB92.0 million in the first half year of 2015 to approximately RMB71.6 million in the first half year of 2016, while gross profit margin drops from 20.4% to 18.2% for the same period.

(i) Paperboards

The gross profit of paperboard products decreased from approximately RMB24.5 million in the first half year of 2015 to approximately RMB11.5 million in the first half year of 2016, representing a decrease of approximately RMB13.0 million or 53.1%, whereas its gross profit margin decreased from 9.0% in the first half year of 2015 to 4.9% in the first half year of 2016. The drop in gross profit was due to the decrease in unit selling price, whereas the drop in gross profit margin was due to the worsening of market conditions and business environment and the severe competition of the industry.

(ii) Corrugated medium boards and boxes

The gross profit of corrugated medium boards and boxes decreased from approximately RMB31.0 million in the first half year of 2015 to approximately RMB23.5 million in the first half year of 2016, representing a decrease of approximately RMB7.5 million or 24.2%, whereas their gross profit margin slightly decreased from 33.2% for in the first half year of 2015 to 27.7% in the first half year of 2016, the decrease was due to the decrease in sales volume and unite selling price.

(iii) Poker cards

The gross profit of poker card products slightly increased from approximately RMB36.4 million in the first half year of 2015 to approximately RMB36.6 million in the first half year of 2016, representing an increase of approximately RMB0.2 million or 0.5%, whereas their gross profit margin increased from 43.8% in the first half year of 2015 to 48.3% in the first half year of 2016, the increase was due to the increase in percentage of contribution from premium line of poker card products.

DISTRIBUTION COSTS

The Group's distribution costs was approximately RMB2.2 million for the six months ended 30 June 2016 compared to approximately RMB2.5 million in the corresponding period in 2015. It represented approximately 0.6% and 0.6% of revenue for the six months ended 30 June 2016 and 2015 respectively.

ADMINISTRATIVE EXPENSES

The Group's administrative expense was approximately RMB11.5 million for the six months ended 30 June 2016 compared to approximately RMB15.4 million in the corresponding period in 2015. It represented approximately 2.9% and 3.4% of revenue for the six months ended 30 June 2016 and 2015 respectively.

FINANCE COST

The Group's total cost of borrowing was approximately RMB19.9 million for the six months ended 30 June 2016 compared to approximately RMB5.0 million for the corresponding period in 2015. It represented approximately 5.0% and 1.1% of revenue for the six months ended 30 June 2016 and 2015 respectively.

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

PROFIT FOR THE PERIOD

Net profit for the period decreased by approximately RMB29.1 million or 51.9%, from approximately RMB56.1 million for the first half year of 2015 to approximately RMB27.0 million for the first half year of 2016. The net profit margin decreased from 10.1% for the first half year of 2015 to 6.8% for the first half year of 2016.

EARNINGS PER SHARE

The basic earnings per share attributable to owners of the Company for the six months ended 30 June 2016 was RMB2.26 cents and RMB5.65 cents for the six months ended 30 June 2015.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

The total shareholders' fund of the Group as at 30 June 2016 was approximately RMB1,082.5 million (31 December 2015: approximately RMB1,057.5 million). As at 30 June 2016, the Group had current assets of approximately RMB552.3 million (31 December 2015: approximately RMB502.1 million) and current liabilities of approximately RMB327.7 million (31 December 2015: approximately RMB197.8 million). The current ratio was 1.7 as at 30 June 2016 as compared to 2.5 at 31 December 2015.

The Group's sources of capital primarily consist of cash generated from operating activities, issuing of corporate bonds and borrowings from financial institutions from PRC and Hong Kong. As at 30 June 2016, the Group had outstanding corporate bonds of approximately RMB197.5 million (31 December 2015: approximately RMB35.3 million), outstanding bank borrowings of approximately RMB65.3 million (31 December 2015: approximately RMB90.5 million). These bank loans were secured against certain fixed assets, bank deposits and inventories held by the Group. As at 30 June 2016, the Group maintained cash and cash equivalent of approximately RMB280.2 million (31 December 2015: approximately RMB251.5 million). The Group's net debt-to-equity ratio (total borrowings net of cash and cash equivalents over shareholders' equity) decreased from -2.3% as at 31 December 2015 to -1.6% as at 30 June 2016. The Group possesses sufficient cash and available banking facilities to meet its commitments and working capital requirements.

The Group's transactions and the monetary assets are principally denominated in Renminbi and Hong Kong dollars. The Group has not experienced any material difficulties or effects on its operations or liquidity as a result of fluctuations in currency exchange rates during the six months ended 30 June 2016.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2016, the Group had a total of 668 employees. The total remuneration amounted to approximately RMB20.6 million for the six months ended 30 June 2016. The remuneration levels of employees are commensurate with their responsibilities, performance and contributions and set out the basis of their merits, qualifications and competence as well as the opinions from the remuneration committee of the Company (the "**Remuneration Committee**") (if applicable).

CONTINGENT LIABILITIES

Details of the Group's contingent liabilities as of 30 June 2016 are set out in note 18 to the interim financial statements.

INTERIM DIVIDEND

The Board does not recommend payment of any interim dividend for the six months ended 30 June 2016 (30 June 2015: NIL).

CORPORATE GOVERNANCE AND OTHER INFORMATION

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company has complied with the code provisions set out in Appendix 14 — Corporate Governance Code to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) during the reporting period.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its code. Having made specific enquiries to each director of the Company, all directors of the Company confirmed that during the reporting period, they had complied with the requirements as set out in the Model Code. Senior management who, because of their office in the Company, are likely to be in possession of inside information, have been requested to comply with the provisions of the Model Code.

AUDIT COMMITTEE

The audit committee of the Company (the “**Audit Committee**”) comprised of three independent non-executive directors of the Company namely, Mr. Lo Pak Ho (Chairman), Mr. Ye Deshan and Mr. Hu Zhenghui.

The Audit Committee meets at least twice each year with the purpose of monitoring the integrity of the Company’s financial statements and to consider the nature and scope of external audit. The Audit Committee, together with the Company’s external auditor, has reviewed the accounting principles and practices adopted by the Company and discussed all significant aspects involving internal control procedures, compliance controls and financial matters including the review of the Company’s unaudited interim financial statements for the six months ended 30 June 2016.

NOMINATION COMMITTEE

The nomination committee of the Company (the “**Nomination Committee**”) comprised of three independent non-executive directors of the Company namely, Mr. Hu Zhenghui (Chairman), Mr. Ye Deshan and Mr. Lo Pak Ho.

The Nomination Committee has the responsibility of, *inter alia*, reviewing and making recommendations on the composition of the Board, making recommendations on the selection of individuals nominated for directorship and senior management staff, assessing the independence of independent non-executive directors, reviewing the board diversity policy of the Company adopted by the Board from time to time, against the Corporate Governance Code and Corporate Governance Report set out in Appendix 14 to the Listing Rules and making recommendations on the appointment or re-appointment of directors of the Company.

REMUNERATION COMMITTEE

The Remuneration Committee comprised of three independent non-executive directors of the Company namely, Mr. Ye Deshan (Chairman), Mr. Hu Zhenghui and Mr. Lo Pak Ho.

The primary functions of the Remuneration Committee are, *inter alia*, to make recommendations to the Board on the remuneration policy of the directors and senior management of the Company and to determine on behalf of the Board specific remuneration packages and conditions that will retain and motivate high-calibre staff to reinforce the success the Company and create value for the shareholders of the Company.

CORPORATE GOVERNANCE AND OTHER INFORMATION (CONTINUED)

INTERESTS AND SHORT POSITIONS OF THE DIRECTORS OR CHIEF EXECUTIVE IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2016, the interests (including interests in shares and short positions) of the Directors or chief executives in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to: (a) Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which each of them is taken or deemed to have taken under such provisions of the SFO); or (b) Section 352 of the SFO to be entered in the register referred to in that section; or (c) the Model Code as set out in Appendix 10 to the Listing Rules relating to securities transactions by Directors, were as follows:

Director's name	Capacity	Long position/ Short position	Number of Shares held	Approximate percentage of shareholding interest (%)
Yuan Chao	Beneficial owner	Long position	188,000	0.01

Saved as disclosed above, as at 30 June 2016, so far as is known to the Directors, no Directors or chief executive or their respective associates who had or were deemed to have any interest or short position in the Shares, underlying Shares or debentures of the Company or any of its associated corporations by virtue of Part XV of the SFO which had to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or the Model Code, or which were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein.

As at 30 June 2016, none of the Directors and chief executive (including their respective spouses and children under the age of 18) had or were granted any rights to subscribe for the securities and share options of the Group and its associated corporations, nor had they exercised such rights.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN THE SHARES OF THE COMPANY

As at 30 June 2016, so far as is known to the Directors, the person(s), not being the Directors or chief executive, who had any interests or short positions in the Shares and underlying Shares required to be recorded in the register kept under section 336 of the SFO are set out below:

Name of Shareholders	Capacity	Number of shares held	Percentage interest in the issued share capital of the Company
Mr. Zheng Dunmu (Note 1)	Beneficial owner and interest in a controlled corporation	347,974,000	29.21%
Mr. Feng Jianguo (Note 2)	Interest in a controlled corporation	105,000,000	8.81%

CORPORATE GOVERNANCE AND OTHER INFORMATION (CONTINUED)

Notes:

- (1) *Pure Sheen Limited, a company incorporated in the British Virgin Islands, is wholly-owned by Mr. Zheng Dunmu and therefore Mr. Zheng Dunmu is deemed to be interested in the Shares held by Pure Sheen under the SFO. Mr. Zheng Dunmu is the beneficial owner of 39,524,000 Shares and holds 233,990,000 Shares, 37,230,000 Shares and 37,230,000 Shares respectively through Pure Sheen, Radiant Path Limited and Radiant Prestige Limited, as companies wholly-owned by him.*
- (2) *Sky Joy Limited, a company incorporated in the British Virgin Islands, is a controlled corporation of Mr. Feng Jianguo and therefore Mr. Feng Jianguo is deemed to be interested in the Shares held by Sky Joy under the SFO. However, transfer of 150,000,000 Shares from Pure Sheen to Sky Joy registered on 16 December 2015 was effected by use of 15 allegedly fake share certificates nos. 2509–2517. The title of 150,000,000 Shares as well as the interest held by Mr. Feng Jianguo is therefore disputable.*

Saved as the disclosed above, as at 30 June 2016, so far as is known to the Directors, no other person(s) had any interest or short position in the Shares and underlying Shares as recorded in the register of the Company required to be kept pursuant to section 336 of the SFO.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2016.

MATERIAL LITIGATION AND ARBITRATION

So far as is known to the Directors, the Group was involved in the following litigation, arbitration or claims of material importance threatened by or against the Group during the six months ended 30 June 2016:

- (i) the lawsuit filed against the Company by PC Securities Limited in connection with the claims on the corporate bonds' principal amounts of HK\$104,000,000 and US\$2,100,000 together with the outstanding interests and default interests; and
- (ii) repayment of the bonds of a total amount of HK\$70,200,000 upon termination of the placing agreement.

REVIEW OF INTERIM RESULTS

The interim report of the Company for the six months ended 30 June 2016 has been reviewed by the Audit Committee.

The unaudited condensed consolidated interim financial information for the six months ended 30 June 2016 has been reviewed by the Company's external auditor, ZHONGHUI ANDA CPA Limited, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION



INDEPENDENT REVIEW REPORT TO THE BOARD OF DIRECTORS OF CHANGGANG DUNXIN ENTERPRISE COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 13 to 29 which comprises the condensed consolidated statement of financial position of Changgang Dunxin Enterprise Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) as at 30 June 2016 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION (CONTINUED)

EMPHASIS OF MATTER

Without qualifying our conclusion, we draw attention to note 2 to the condensed consolidated financial statements which mentions the Group's ability to settle the payments in relation to (i) the lawsuit filed against the Company by PC Securities Limited in connection with the claims on the corporate bonds' principal amounts of HK\$104,000,000 and US\$2,100,000 together with the outstanding interests and default interests; (ii) repayment of the bonds of a total amount of HK\$70,200,000 upon termination of the placing agreement; and (iii) capital commitments of HK\$413,611,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Sze Lin Tang

Practising Certificate Number P03614

Hong Kong

12 August 2016

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Notes	For the six months ended 30 June	
		2016 (Unaudited) RMB'000	2015 (Unaudited) RMB'000
REVENUE	5	396,644	450,232
Cost of sales		(325,050)	(358,279)
GROSS PROFIT		71,594	91,953
Other income and gains	6	4,763	7,010
Selling and distribution costs		(2,196)	(2,466)
Administrative expenses		(11,513)	(15,359)
Finance costs	7	(19,859)	(4,954)
PROFIT BEFORE TAX	8	42,789	76,184
Income tax expense	9	(15,809)	(20,042)
PROFIT FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY		26,980	56,142
Other comprehensive income after tax:			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of non-PRC operations		(1,981)	(960)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY		24,999	55,182
EARNINGS PER SHARE (RMB cents)	11		
— Basic		2.26	5.65
— Diluted		2.26	5.65

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2016 (Unaudited) RMB'000	As at 31 December 2015 (Audited) RMB'000
Non-current assets			
Property, plant and equipment	12	523,197	559,862
Investment properties		3,858	4,015
Prepaid land lease payments		20,846	21,113
Deposits paid for acquisition of land lease and property, plant and equipment		353,883	304,760
		901,784	889,750
Current assets			
Inventories		34,582	22,170
Trade receivables	13	220,398	202,736
Prepayments, deposits and other receivables		17,143	25,170
Pledged deposits		—	461
Cash and cash equivalents		280,170	251,532
		552,293	502,069
Current liabilities			
Trade payables	14	73,076	73,642
Other payables and accruals		27,511	30,570
Interest-bearing borrowings	15	65,297	90,459
Tax payable		8,201	3,133
Bonds	16	153,634	—
		327,719	197,804
Net current assets		224,574	304,265
Total assets less current liabilities		1,126,358	1,194,015
Non-current liabilities			
Bonds		43,879	136,535
Total non-current liabilities		43,879	136,535
NET ASSETS		1,082,479	1,057,480
Capital and reserves			
Equity attributable to owners of the Company			
Issued capital		9,542	9,542
Reserves		1,072,937	1,047,938
TOTAL EQUITY		1,082,479	1,057,480

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company						
	Issued capital	Share premium*	Capital reserve*	Statutory surplus funds*	Exchange fluctuation reserve*	Retained profits*	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2015 (Audited)	7,891	248,235	90,001	64,403	(302)	544,802	955,030
Total comprehensive (expense)/ income for the period (Unaudited)	—	—	—	—	(960)	56,142	55,182
Dividend (Unaudited)	—	—	—	—	—	(63,159)	(63,159)
At 30 June 2015 (Unaudited)	7,891	248,235	90,001	64,403	(1,262)	537,785	947,053
At 1 January 2016 (Audited)	9,542	336,752	90,001	74,009	(6,743)	553,919	1,057,480
Total comprehensive (expense)/ income for the period (Unaudited)	—	—	—	—	(1,981)	26,980	24,999
At 30 June 2016 (Unaudited)	9,542	336,752	90,001	74,009	(8,724)	580,899	1,082,479

* These reserve accounts comprise the consolidated reserves in the consolidated statement of financial position.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the six months ended 30 June	
	2016 (Unaudited) HK\$000	2015 (Unaudited) HK\$000
Net cash generated from operating activities	62,148	90,154
Cash flows from investing activities		
Purchase of property, plant and equipment	—	(76,276)
Decrease in pledged deposits	461	16,731
Payment of deposits for acquisition of prepaid land lease payments and property, plant and equipment	(49,123)	—
Other investing cash flows	880	1,189
Net cash flows used in investing activities	(47,782)	(58,356)
Cash flows from financing activities		
New bank borrowings	29,673	131,557
Repayment of bank borrowings	(54,893)	(169,165)
Proceeds from issue of bonds	55,191	35,186
Dividends paid	—	(63,159)
Interest paid	(15,411)	(4,014)
Net cash flows generated from/(used in) financing activities	14,560	(69,595)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	28,926	(37,797)
Cash and cash equivalents at beginning of period	251,532	631,963
Effect on exchange rate changes, net	(288)	(579)
Cash and cash equivalents at end of period	280,170	593,587

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Changgang Dunxin Enterprise Company Limited (the "Company") was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The Company's registered office address is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under the Hong Kong Companies Ordinance and the principal place of business in Hong Kong is at Office No. 3, 13th Floor, Boss Commercial Centre, No. 28 Ferry Street, Kowloon, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited on 26 June 2014 and have been suspended for trading since 20 January 2016.

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "Group") were principally engaged in the production and sale of paperboards, corrugated medium boards and boxes and poker cards in the People's Republic of China (the "PRC").

In the opinion of the directors (the "Directors") of the Company, as at the date of issue of these condensed consolidated financial statements, Pure Sheen Limited ("Pure Sheen") is the ultimate holding company. Pure Sheen does not produce financial statements available for public use.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements ("Interim Financial Statements") have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

The Interim Financial Statement do not include all the information and disclosures required in a full set of financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2015 ("2015 Annual Report").

As detailed in notes 17 and 18 to the condensed consolidated financial statement, the Group is subject to uncertainties related to (i) the outcome of the lawsuit filed against the Company by PC Securities Limited in connection with the claims on the corporate bonds' principal amounts of HK\$104,000,000 and US\$2,100,000 together with the outstanding interests and default interests; (ii) repayment of the bonds of a total amount of HK\$70,200,000 upon termination of the placing agreement with Ping An Securities Limited; and (iii) capital commitments of HK\$413,611,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

These Interim Financial Statements have been prepared on a going concern basis, the validity of which depends upon the Group's ability to settle the payments as mentioned above. The directors are negotiating with PC Securities Limited and Ping An Securities Limited for settlement plans and rearrangement of the repayment schedules, as well as renewing the payment schedules with the suppliers for settlements of the capital commitments. The Directors are confident that a satisfactory negotiation result can be reached in the near future. The Directors are therefore of the opinion that it is appropriate to prepare the financial statements on a going concern basis. Should the Group be unable to continue as a going concern, adjustments would have to be made to the financial statements to adjust the value of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively.

These Interim Financial Statements have been prepared under the historical cost convention and are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised HKFRSs that are relevant to its operations and effective for its accounting year beginning on 1 January 2016. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

4. SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial statements reported to the chief operating decision maker for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial statements reported to the executive directors are determined following the Group's major operations.

The Group's operating business are organised and managed separately according to the nature of products, which each segment representing a strategic business segment that offers different products in the PRC market. The Group's chief operating decision maker considered that all of the Group's revenue, operating result and asset for the period were mainly derived from its production and sale of paperboards, corrugated medium boards and boxes and poker cards.

The Company is an investment holding company and the principal place of the Group's operation is in the PRC. For the purpose of segment information disclosures under HKFRS 8 Operating Segments, the Group regarded the PRC as its country of domicile. All the Group's revenue and non-current assets are principally attributable to the PRC, being the single geographical region.

Segment assets exclude pledged deposits, cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude borrowings, tax payable, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

The inter-segment sales were based on agreed selling prices between the parties involved.

Segment results represent the profit earned by each segment without allocation of interest income, finance costs, and central administration costs including directors' fees, foreign currency exchange gains/losses and items not directly related to the core business of the segments.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

4. SEGMENT INFORMATION (Continued)

Segment revenue and results

For the six months ended 30 June 2016 (Unaudited)

	Paperboards RMB'000	Corrugated medium boards and boxes RMB'000	Poker cards RMB'000	Eliminations RMB'000	Consolidated RMB'000
Segment revenue:					
Sales to external customers	236,236	84,701	75,707	—	396,644
Intersegment sales	11,857	—	—	(11,857)	—
Total revenue	248,093	84,701	75,707	(11,857)	396,644
Segment results	11,462	23,503	36,629		71,594
Interest income					432
Other income					4,331
Corporate and other unallocated expenses					(13,709)
Finance costs					(19,859)
Profit before tax					42,789

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

4. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the six months ended 30 June 2015 (Unaudited)

	Paperboards RMB'000	Corrugated medium boards and boxes RMB'000	Poker cards RMB'000	Eliminations RMB'000	Consolidated RMB'000
Segment revenue:					
Sales to external customers	273,384	93,717	83,131	—	450,232
Intersegment sales	7,710	—	—	(7,710)	—
Total revenue	281,094	93,717	83,131	(7,710)	450,232
Segment results	24,498	31,050	36,405		91,953
Interest income					1,146
Other income					5,864
Corporate and other unallocated expenses					(17,825)
Finance costs					(4,954)
Profit before tax					76,184

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

4. SEGMENT INFORMATION (Continued)

Segment assets

As at 30 June 2016 (Unaudited)

	Paperboards RMB'000	Corrugated medium boards and boxes RMB'000	Poker cards RMB'000	Total RMB'000
Segment assets	691,807	52,976	345,751	1,090,534

As at 31 December 2015 (Audited)

	Paperboards RMB'000	Corrugated medium boards and boxes RMB'000	Poker cards RMB'000	Total RMB'000
Segment assets	653,623	48,909	338,557	1,041,089

Segment liabilities

As at 30 June 2016 (Unaudited)

	Paperboards RMB'000	Corrugated medium boards and boxes RMB'000	Poker cards RMB'000	Total RMB'000
Segment liabilities	41,151	18,494	2,944	62,589

As at 31 December 2015 (Audited)

	Paperboards RMB'000	Corrugated medium boards and boxes RMB'000	Poker cards RMB'000	Total RMB'000
Segment liabilities	34,691	8,986	5,094	48,771

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

5. REVENUE

The Group's revenue which represents sales of goods to customers is as follows:

	Six months ended 30 June	
	2016 (Unaudited) RMB'000	2015 (Unaudited) RMB'000
Sales of goods	396,644	450,232

6. OTHER INCOME AND GAINS

	Six months ended 30 June	
	2016 (Unaudited) RMB'000	2015 (Unaudited) RMB'000
Bank interest income	432	1,146
Exchange gains, net	—	793
Gain on disposals of property, plant and equipment	238	—
Gross rental income	286	292
Scrap sales	3,430	4,748
Sundry income	377	31
	4,763	7,010

7. FINANCE COSTS

	Six months ended 30 June	
	2016 (Unaudited) RMB'000	2015 (Unaudited) RMB'000
Interest on bank borrowings	2,040	4,012
Interest on bonds	17,433	712
Bank charges	21	230
Exchange loss	365	—
	19,859	4,954

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

8. PROFIT BEFORE TAX

The Group's profit before tax is stated after charging:

	Six months ended 30 June	
	2016 (Unaudited) RMB'000	2015 (Unaudited) RMB'000
Cost of inventories sold	325,050	358,279
Depreciation of property, plant and equipment		
Property, plant and equipment	32,006	19,519
Investment properties	157	197
Amortisation of prepaid land lease payments	267	267
Staff costs (including directors' remuneration):		
Wages and salaries	18,017	17,584
Retirement benefits scheme contributions	2,612	2,058
	20,629	19,642
Operating lease charges on land and buildings	53	45

9. INCOME TAX EXPENSE

	Six months ended 30 June	
	2016 (Unaudited) RMB'000	2015 (Unaudited) RMB'000
Current tax — the PRC Charge for the period	15,809	20,042

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. The PRC subsidiaries are subject to the PRC Enterprise Income Tax ("EIT") at 25% (2015: 25%).

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

10. DIVIDEND

The Directors do not recommend the payment of an interim dividend for the period ended 30 June 2016 (for the period ended 30 June 2015: HK\$8.1 cents (RMB6.4 cents) per ordinary share totalling HK\$80,417,000 (RMB63,159,000) was declared and paid by the Company during the period).

11. EARNINGS PER SHARE

Earnings per share

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the six months period ended 30 June 2016 of approximately RMB26,980,000 (for the six months ended 30 June 2015: approximately RMB56,142,000) and the weighted average number of approximately 1,191,360,000 ordinary shares (for the six months ended 30 June 2015: approximately 992,800,000 ordinary shares) in issue during the period.

Diluted earnings per share

Diluted earnings per share for the six months ended 30 June 2016 and 2015 are the same as the basic earnings per share as the Company did not have any dilutive potential ordinary shares during the periods.

12. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2016, no property, plant and equipment was acquired by the Group (for the six months ended 30 June 2015: RMB76,275,000). Property, plant and equipment with a carrying amount of RMB130,000 (for the six months ended 30 June 2015: RMB252,000) were disposed by the Group during the six months ended 30 June 2016.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

13. TRADE RECEIVABLES

	At 30 June 2016 (Unaudited) RMB'000	At 31 December 2015 (Audited) RMB'000
Trade receivables	220,851	203,189
Less: impairment	(453)	(453)
	220,398	202,736

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	At 30 June 2016 (Unaudited) RMB'000	At 31 December 2015 (Audited) RMB'000
Within 1 month	71,970	81,654
More than 1 month but within 2 months	70,304	68,724
More than 2 months but within 3 months	37,684	30,784
More than 3 months but within 6 months	38,513	19,849
More than 6 months but within 1 year	275	73
More than 1 year	1,652	1,652
	220,398	202,736

14. TRADE PAYABLES

The aging analysis of trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	At 30 June 2016 (Unaudited) RMB'000	At 31 December 2015 (Audited) RMB'000
Within 3 months	66,362	64,149
More than 3 months but within 6 months	26	4,898
More than 6 months but within 1 year	6,688	4,595
	73,076	73,642

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

15. INTEREST-BEARING BORROWINGS

	At 30 June 2016 (Unaudited)			At 31 December 2015 (Audited)		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Bank loans — Secured	4.79%–5.75%	2017	56,500	4.79%–7.84%	2016	82,100
Bank loans — Unsecured	3.42%–3.87%	2016	8,797	3.55%–3.56%	2016	8,359
			65,297			90,459
Repayable: Within one year or on demand			65,297			90,459

16. BONDS

In 2015, the Company issued two bonds through PC Securities Limited (the “PC Bonds”) with a nominal value of HK\$104,000,000 and USD2,100,000 and stated interest rate of 7%–8.5%. The PC Bonds contain a term of redemption that when the shares of the Company cease to be listed or admitted to trading or suspended for trading for a period equal to or exceeding 30 consecutive trading days, the bondholder may give notice to the issuer to demand that the PC Bonds are immediately due and repayable. As at 30 June 2016, the Company have been suspended for trading over 30 days and the PC’s Bonds are repayable on demand.

During the period, the Company issued one (six months ended 30 June 2015: five) bonds (the “Bonds”) with a nominal value of HK\$70,200,000 (approximately RMB60,105,000) with stated interest rate 30%. Each Bond shall be redeemed at 100 per cent of its principal amount with accrued interest on the maturity date. The maturity date of the Bond falls on the first anniversary of the issue date of the Bonds. The 2016 Bonds is unsecured and repayable on January 2017. The Bond carries interest rate on 30% per annum, which is payable semi-annually in arrears on 30 June and 31 December in each year except that the last of such payment shall be made on the maturity date.

17. CAPITAL COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	At 30 June 2016 (Unaudited) RMB'000	At 31 December 2015 (Audited) RMB'000
Contracted, but not provided for Property, plant and equipment and land lease	413,611	336,425

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. CONTINGENT LIABILITIES

Save as disclosed below, the directors are not aware of any litigation or claims of material importance pending or threatened by or against the members of the Group at the end of the reporting period.

- (a) Reference is made to the announcements of the Company dated 15 February 2016, 23 February 2016 and 9 March 2016 in relation to irregularities in share certificates of the Company and the legal action initiated by Sky Joy Investment Limited against an ex-director and chairman of the Board, Mr. Zheng Dunmu ("Mr. Zheng") and his wholly-owned company. The legal action was not claimed against the Company but against Mr. Zheng and Pure Sheen Limited in their own capacity. Mr. Zheng tendered his resignation as the Chairman and executive Director of the Company on 22 March 2016.

The Company and relevant authorities have conducted investigation upon the incident since thereafter. On 3 March 2016, the officers of the Hong Kong Police Force entered and conducted investigation at the Company's principal place of business in Hong Kong. As at the date of these condensed consolidated interim financial statements, the Company is not aware of any charges have been laid against it, its officers or any other parties.

The Board is of the view that there is no material adverse impact on the operations of the Company as a result of the investigation.

- (b) Reference is made to the announcement of the Company dated 24 January 2016 on placing of bonds of up to HK\$80,000,000 under specific mandate (the "Announcement"). As disclosed in the Announcement, on 22 January 2016, the Company entered into the placing agreement with the placing agents, pursuant to which the Company agreed to issue and the placing agents agreed to place, on a best effort basis, the bonds with a principal amount of up to HK\$80,000,000 to not less than six Places.

On 28 January 2016, the Company was informed by the placing agent that the bonds of a total amount of HK\$70,200,000 (the "Subscription Amount") were placed by the placing agent and were subscribed by the bondholders. On the same date, the proceeds of the bonds (net of commission and expenses) were paid to the Company. As the trading of shares has been suspended since 20 January 2016, on 21 March 2016, the legal representative of Ping An Securities Limited wrote to the Company requesting, *inter alia*, the Company to clarify and inform the bondholders whether there is an event of default and the status of the incident as mentioned in the Company's announcement dated 15 February 2016 or return of the Subscription Amount within 21 business days from the date of letter.

The Company considers there is no event of default, however, on 6 April 2016, the legal representative of Ping An Securities Limited further demanded that the Subscription Amount and the accrued interest should be returned on or before 29 April 2016. Having said that, the Company has reached an agreement with the placing agent to terminate the placing agreement and to redeem the bonds from bondholders in full by 31 July 2016.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

18. CONTINGENT LIABILITIES (Continued)

- (c) Reference is made to the Company's announcement dated 12 October 2015 in relation to the issuance of corporate bonds by the Company through PC Securities Limited ("PC Securities") as the placing agent in the aggregate principal amount of up to HK\$200,000,000 bearing an interest rate of 7% per annum.

The Company announced that it had on 22 June 2016 received a writ of summons (the "22 June 2016 Writ") filed by PC Securities, as the plaintiff, against the Company in the Court of First Instance of the High Court of Hong Kong under action number HCA 1654/2016 on 22 June 2016.

Based on the 22 June 2016 Writ, PC Securities claims, amongst other things, (i) the sum of HK\$104,000,000, being the principal amount due and owing by the Company under its bonds issued on 6 November 2015; (ii) interest on the principal amount, calculated at the rate of 7% per annum from the issue date of 6 November 2015 to 15 June 2016, pursuant to the terms and conditions of the bonds; and (iii) default interest on the principal amount, calculated at the rate of 2% per month from 16 June 2016 to the date of full payment, pursuant to the terms and conditions of the bonds.

The Company also announced that it has on 28 June 2016 received a writ of summons (the "28 June 2016 Writ") filed by PC Securities, as the plaintiff, against the Company in the Court of First Instance of the High Court of Hong Kong under action number HCA 1692/2016 on 28 June 2016.

Based on the 28 June 2016 Writ, PC Securities claims, amongst other things, (i) the sum of US\$2,100,000 (or the Hong Kong Dollars equivalent at the time of payment), being the principal amount due and owing by the Company under its bonds issued on 23 October 2015; (ii) the sum of US\$44,129.17 (or the Hong Kong Dollars equivalent at the time of payment), being interest on the principal amount, calculated at the rate of 8.5% per annum from the issue date of 23 October 2015 to 29 March 2016, pursuant to the terms and conditions of the bonds; and (iii) default interest on the aggregate sum of the principal amount and the Interest, calculated at the rate of 2% per month from 30 March 2016 to the date of full payment, pursuant to the terms and conditions of the bonds.

The Board is negotiating with PC Securities for a mutually acceptable and amicable settlement. The Board considers that the above legal case would not have any material impact on the condensed consolidated financial statements.

- (d) On 12 June 2014, the Company entered into a compliance advisory agreement with Kingsway Capital Limited ("Kingsway"), in which the Company engaged Kingsway to provide services on compliance matters as a listed company in Hong Kong pursuant to Rules 3A.19 of the Listing Rules. On 3 June 2016, Kingsway sent a writ with statement of claim to the Company claiming sum of approximately HK\$981,000, plus interests, costs and further and other relief. The Group has sought to rebut the claim and counterclaim.

The Board as filed a defence in respect of the claim and will carry out ongoing settlement negotiations with Kingsway. The Board considers that the above legal case would not have any material impact on the condensed consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

19. RELATED PARTY TRANSACTIONS

(a) Outstanding balances with a related party

	At 30 June 2016 (Unaudited) RMB'000	At 31 December 2015 (Audited) RMB'000
Due to a director		
Mr. Zheng Dunmu	—	3,346

(b) Key management compensation

Remuneration for key management personnel of the Group for the reporting period is as follows:

	For the six months ended 30 June	
	2016 (Unaudited) RMB'000	2015 (Audited) RMB'000
Short-term employee benefits	2,251	1,952
Post-employment benefits	46	46
	2,297	1,998

20. APPROVAL OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These interim consolidated financial statements were approved and authorised for issue by the Board of Directors on 12 August 2016.

DEFINITIONS

"Audit Committee"	the audit committee of the Company
"Board"	the board of Directors
"BVI"	the British Virgin Islands
"chief executive"	the chief executive (as defined in the SFO) of the Company
"Company"	Changgang Dunxin Enterprise Company Limited (長港敦信實業有限公司), a company incorporated in the Cayman Islands with limited liability on 27 August 2012
"Directors(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKFRSs"	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party"	party who is independent of and not connected with any directors, chief executive or substantial shareholders of the Company or any of their respective associates
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers
"Nomination Committee"	the nomination committee of the Company
"PRC"	the People's Republic of China
"Remuneration Committee"	the remuneration committee of the Company
"RMB"	Renminbi yuan, the lawful currency of the PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	shares(s) with a nominal value of HK\$0.01 (each) in the share capital of the Company
"Shareholder(s)"	holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited