重慶長安民生物流股份有限公司
Changan Minsheng APLL Logistics Co., Ltd.*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 8217)

Results Announcement
for the year ended 31 December 2009

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

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

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

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This announcement includes particulars given in compliance with the Rules Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") of the Stock Exchange for the purpose of giving information with regard to Changan Minsheng APLL Logistics Co., Ltd. (the "Company"). The directors of the Company collectively and individually accept full responsibility of this announcement. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions *expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable*

FINANCIAL HIGHLIGHTS

- For the year ended 31 December 2009, the audited consolidated revenue of the Group was approximately RMB2,284,723,000 representing an increase of approximately 45.97% from the previous year.
- For the year ended 31 December 2009, the audited profit attributable to equity holders of the Company was approximately RMB130,235,000, representing an increase of 29.85% from the corresponding period in 2008.
- For the year ended 31 December 2009, the audited basic earnings per share was RMB 0.80 (in 2008: RMB 0.62).

ANNUAL RESULTS

The board of directors (the “Board”) of the Company is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “Group”) for the year ended 31 December 2009 and the comparative figures for the corresponding period of 2008 as follows:

CHANGAN MINSHENG APLL LOGISTICS CO., LTD.
BALANCE SHEET
(All amounts in Renminbi ("RMB"))

		Group		Company	
		As at 31 December		As at 31 December	
		2009	2008	2009	2008
	Note	RMB'000	RMB'000	RMB'000	RMB'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	174,542	185,316	139,766	150,965
Prepaid lease payments		129,653	120,901	105,215	107,841
Intangible assets		2,915	3,100	2,653	2,879
Investments in subsidiaries		-	-	65,480	35,480
Investments in associates		16,811	14,827	12,100	12,100
Deferred income tax assets		6,866	5,226	6,795	5,188
Total non-current assets		330,787	329,370	332,009	314,453
Current assets					
Inventories		4,186	-	4,186	-
Trade receivables	5	177,498	110,531	171,258	101,720
Prepayment and other receivables		19,142	26,390	19,353	32,896
Due from related parties		369,527	279,896	256,586	225,757
Restricted cash		9,300	10,000	9,300	10,000
Cash and cash equivalents		314,362	133,239	265,358	121,123
Total current assets		894,015	560,056	726,041	491,496
Total assets		1,224,802	889,426	1,058,050	805,949

CHANGAN MINSHENG APLL LOGISTICS CO., LTD.
BALANCE SHEET (continued)
(All amounts in RMB)

		Group		Company	
		As at 31 December		As at 31 December	
		2009	**2008**	**2009**	**2008**
	Note	RMB'000	RMB'000	RMB'000	RMB'000
EQUITY					
Equity attributable to owners of the parent					
Share capital		162,064	162,064	162,064	162,064
Other reserves	6	127,016	115,632	127,016	115,632
Retained earnings					
- Proposed final dividend	12	14,586	14,586	14,586	14,586
- Others		319,260	214,995	293,305	206,886
		622,926	507,277	596,971	499,168
Minority interest		39,549	26,854	-	-
Total equity		662,475	534,131	596,971	499,168
LIABILITIES					
Non-current liabilities					
Deferred income		7,707	10,315	7,504	10,044
Total non-current liabilities		7,707	10,315	7,504	10,044
Current liabilities					
Trade and other payables	7	424,731	258,671	312,397	212,984
Due to related parties		113,787	75,525	127,205	74,948
Current income tax liabilities		16,102	10,784	13,973	8,805
Total current liabilities		554,620	344,980	453,575	296,737
Total liabilities		562,327	355,295	461,079	306,781
Total equity and liabilities		1,224,802	889,426	1,058,050	805,949
Net current assets		339,395	215,076	272,466	194,759
Total assets less current liabilities		670,182	544,446	604,475	509,212

CHANGAN MINSHENG APLL LOGISTICS CO., LTD.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(All amounts in RMB)

	Note	**2009** RMB'000	**2008** RMB'000
Revenue	8	2,284,723	1,565,237
Cost of sales	9	(2,016,652)	(1,352,971)
Gross profit		268,071	212,266
Other income		1,756	4,330
Distribution costs	9	(61,889)	(47,443)
Administrative expenses	9	(41,654)	(44,880)
Operating profit		166,284	124,273
Finance income	13	1,526	1,963
Finance costs	14	(1,130)	(3,563)
Finance income/(costs) - net		396	(1,600)
Share of profit of associates		1,984	476
Profit before income tax		168,664	123,149
Income tax expense	10	(25,734)	(19,410)
Profit and total comprehensive income for the year		142,930	103,739
Profit and total comprehensive income attributable to:			
Equity holders of the Company		130,235	100,295
Minority interest		12,695	3,444
		142,930	103,739
Earnings per share for profit attributable to the equity holders of the Company during the year			
- basic and diluted	11	RMB0.80	RMB0.62
Dividends	12	14,586	14,586

CHANGAN MINSHENG APLL LOGISTICS CO., LTD.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(All amounts in RMB)

	Attributable to shareholders of the Company			Minority interest	Total equity
	Share capital	Other reserves	Retained earnings		
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Balance at 1 January 2008	162,064	106,487	151,396	23,410	443,357
Comprehensive income					
Profit for the year	-	-	100,295	3,444	103,739
Transactions with owners					
Dividends	-	-	(12,965)	-	(12,965)
Appropriation	-	9,145	(9,145)	-	-
Balance at 31 December 2008	162,064	115,632	229,581	26,854	534,131
Comprehensive income					
Profit for the year	-	-	130,235	12,695	142,930
Transactions with owners					
Dividends	-	-	(14,586)	-	(14,586)
Appropriation	-	11,384	(11,384)	-	-
Balance at 31 December 2009	162,064	127,016	333,846	39,549	662,475

CHANGAN MINSHENG APLL LOGISTICS CO., LTD.
CONSOLIDATED STATEMENT OF CASH FLOWS
(All amounts in RMB)

	Year ended 31 December	
	2009	**2008**
	RMB'000	RMB'000
Cash flows from operating activities		
Cash generated from operations	251,726	35,649
Interest paid	(1,235)	(3,045)
Income tax paid	(22,056)	(13,613)
Net cash generated from operating activities	228,435	18,991
Cash flows from investing activities		
Purchase of property, plant and equipment and intangible assets	(22,749)	(53,705)
Increase in prepaid lease payments	(11,823)	(56,073)
Proceeds from disposal of property, plant and equipment	215	655
Interest received	1,526	1,963
Net cash used in investing activities	(32,831)	(107,160)
Cash flows from financing activities		
New short-term loans	50,000	100,000
Repayment of short-term loans	(50,000)	(130,000)
Dividends paid	(14,586)	(12,965)
Net cash used in financing activities	(14,586)	(42,965)
Net increase /(decrease) in cash and cash equivalents	181,018	(131,134)
Cash and cash equivalents at beginning of year	133,239	264,705
Exchange gains/(losses) on cash	105	(332)
Cash and cash equivalents at end of year	314,362	133,239

1 General information

The Company, formerly known as Chongqing Changan Minsheng Logistics Co., Ltd., was incorporated in the People's Republic of China (the "PRC") on 27 August 2001 as a limited liability company. In 2002, the Company was converted to a sino-foreign equity joint venture. On 31 December 2004, the Company was transformed into a joint stock limited liability company and was renamed as CMA Logistics Co., Ltd.

According to the resolution of the Company's extraordinary general meeting held on 30 December 2006, the Company changed its English name to "Changan Minsheng APLL Logistics Co., Ltd.".

The address of the Company's registered office is Liang Jing Cun, Yuan Yang Zhen, Yu Bei District, Chongqing, the PRC.

The H Shares of the Company have been listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM") since February 2006.

The principal activities of the Company and its subsidiaries (together the "Group") are the rendering of transportation of finished vehicles, supply chain management for automobile components and parts, transportation of non-vehicle commodities services, sales of packages materials and processing of tyres.

2 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 3.

Changes in accounting policy and disclosures

(a) New and amended standards adopted by the Group

The Group has adopted the following new and amended HKFRSs as of 1 January 2009:

- HKFRS 7 'Financial Instruments – Disclosures' (amendment) (effective from 1 January 2009). The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy. As the change in accounting policy only results in additional disclosures, there is no impact on earnings per share.

- HKAS 1 (revised). 'Presentation of financial statements' (effective from 1 January 2009). The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity in a statement of comprehensive income. As a result the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

- HKAS 23 (revised), 'Borrowing costs' (effective from 1 January 2009). The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs has been removed. This revision does not have any impact on the Group's financial statements, as the Group has no qualifying assets.

- HKFRS 8, 'Operating segments' (effective from 1 January 2009). HKFRS 8 replaces HKAS 14, 'Segment reporting', and aligns segment reporting with the requirements of the US standard SFAS 131, 'Disclosures about segments of an enterprise and related information'. The new standard requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increase in the number of reportable segments presented. In addition, the segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker.

- HKICPA’s improvements to HKFRS published in October 2008

  - HKAS 1 (amendment), 'Presentation of financial statements' (effective from 1 January 2009). The amendment clarifies that some rather than all financial assets and liabilities classified as held for trading in accordance with HKAS 39, 'Financial instruments: Recognition and measurement’ are examples of current assets and liabilities respectively. This amendment does not have any impact on the Group’s financial statements.

  - HKAS 23 (amendment), 'Borrowing costs' (effective from 1 January 2009). The definition of borrowing costs has been amended so that interest expense is calculated using the effective interest method defined in HKAS 39 'Financial instruments: Recognition and measurement’. This eliminates the inconsistency of terms between HKAS 39 and HKAS 23. This amendment does not have any impact on the Group’s financial statements.

  - HKAS 28 (amendment), 'Investments in associates' (and consequential amendments to HKAS 32, 'Financial Instruments: Presentation' and HKFRS 7, 'Financial instruments: Disclosures') (effective from 1 January 2009). An investment in associate is treated as a single asset for the purposes of impairment testing and any impairment loss is not allocated to specific assets included within the investment, for example, goodwill. Reversals of impairment are recorded as an adjustment to the investment balance to the extent that the recoverable amount of the associate increases. This amendment does not have any impact on the Group’s financial statements.

  - HKAS 36 (amendment), 'Impairment of assets' (effective from 1 January 2009). Where fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made. This amendment does not have any impact on the Group’s financial statements

  - HKAS 38 (amendment), 'Intangible assets' (effective from 1 January 2009). A prepayment may only be recognised in the event that payment has been made in advance of obtaining right of access to goods or receipt of services. This amendment does not have any impact on the Group’s financial statements

(b) Amendments to existing standards that are not yet effective and have been early adopted by the Group

- HKFRS 8 (amendment), ‘Operating segments’ (effective from 1 July 2010). Minor textual amendment to the standard, and amendment to the basis for conclusions, to clarify that an entity is required to disclose a measure of segment assets only if that measure is regularly reported to the chief operating decision-maker.

(c) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The following standards and amendments to existing standards have been published and are mandatory for the Group’s accounting periods beginning on or after 1 January 2010 or later periods and are relevant to the Group’s operations, but the Group has not early adopted them:

- HKAS 27 (revised), 'Consolidated and separate financial statements', (effective from 1 July 2009). The revised standard requires the effects of all transactions with minority interest to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The Group will apply HKAS 27 (revised) prospectively to transactions with minority interest from 1 January 2010.

- HKFRS 3 (revised), 'Business combinations' (effective from 1 July 2009). The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair vale or at the non-controlling interest’s proportionate share of the acquiree’s net assets. All acquisition-related costs should be expensed. The Group will apply HKFRS 3 (revised) prospectively to all business combinations from 1 January 2010.

- HKAS 38 (amendment), ‘Intangible Assets’ (effective from 1 July 2009). The amendment is part of the HKICPA’s annual improvements project published in May 2009 and the Group and Company will apply HKAS 38 (amendment) from the date HKFRS 3 (revised) is adopted. The amendment clarifies guidance in measuring the fair value of an intangible asset acquired in a business combination and it permits the grouping of intangible assets as a single asset if each asset has similar useful economic lives. The amendment will not result in a material impact on the Group’s or Company’s financial statements.

- HKFRS 5 (amendment), 'Measurement of non-current assets (or disposal groups) classified as held for sale'. The amendment is part of the HKICPA's annual improvements project published in May 2009. The amendment provides clarification that HKFRS 5 specifies the disclosures required in respect of non-current assets (or disposal groups) classified as held for sale or discontinued operations. It also clarifies that the general requirement of HKAS 1 still apply, particularly paragraph 15 (to achieve a fair presentation) and paragraph 125 (sources of estimation uncertainty) of HKAS 1. The Group and Company will apply HKFRS 5 (amendment) from 1 January 2010. It is not expected to have a material impact on the Group's or Company's financial statements.

- HKAS 1 (amendment), 'Presentation of financial statements'. The amendment is part of the HKICPA's annual improvements project published in May 2009. The amendment provides clarification that the potential settlement of a liability by the issue of equity is not relevant to its classification as current or non-current. By amending the definition of current liability, the amendment permits a liability to be classified as non-current (provided that the entity has an unconditional right to defer settlement by transfer of cash or other assets for at least 12 months after the accounting period) notwithstanding the fact that the entity could be required by the counterparty to settle in shares at any time. The Group and Company will apply HKAS 1 (amendment) from 1 January 2010. It is not expected to have a material impact on the Group's or Company's financial statements.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Income taxes

The Group is subject to various taxes in PRC. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred tax assets and tax in the periods in which such estimate is changed.

As at 31 December 2009, the Group has deferred tax assets of approximately RMB6,866,000 (2008: approximately RMB5,226,000). To the extent that it is probable that taxable profit will be available against which the deductible temporary differences will be utilised, deferred tax assets are recognised for temporary differences arising from impairment provision on receivables, tax losses, amortisation of deferred income, and useful lives used in calculating depreciation of property, plant and equipment are different from tax rules.

3.2 Critical judgements in applying the entity's accounting policies

Revenue recognition

The Group recognises its revenue upon completion of rendering services for transportation of finished vehicles, supply chain management for automobile components and parts and transportation of non-vehicle commodities, where the amount of revenue and costs can be measured reliably and the economic benefits associated with the transaction will probably flow to the Group when such service is completed. In making its judgement in applying this recognition method, the Group made reference to various factors which include, among others, master contracts signed with certain customers, actual sales amounts of similar historical transactions, as well as confirmations received from customers.

4 Property, plant and equipment

Group

	Buildings RMB'000	Machinery RMB'000	Office equipment RMB'000	Motor vehicles RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2008						
Cost	147,357	7,260	10,396	29,041	4,160	198,214
Accumulated depreciation	(29,628)	(2,880)	(5,527)	(8,420)	-	(46,455)
Net book amount	117,729	4,380	4,869	20,621	4,160	151,759
Year ended 31 December 2008						
Opening net book amount	117,729	4,380	4,869	20,621	4,160	151,759
Additions	-	1,185	2,897	8,050	51,988	64,120
Transfers	56,148	-	-	-	(56,148)	-
Disposals	-	(321)	(37)	(1,322)	-	(1,680)
Depreciation	(13,728)	(1,116)	(2,695)	(11,344)	-	(28,883)
Closing net book amount	160,149	4,128	5,034	16,005	-	185,316
At 31 December 2008						
Cost	203,505	7,877	12,699	33,676	-	257,757
Accumulated depreciation	(43,356)	(3,749)	(7,665)	(17,671)	-	(72,441)
Net book amount	160,149	4,128	5,034	16,005	-	185,316
Year ended 31 December 2009						
Opening net book amount	160,149	4,128	5,034	16,005	-	185,316
(Adjustment)/additions	(2,352)	2,850	2,104	7,015	4,604	14,221
Disposals	(851)	(65)	(55)	(244)	-	(1,215)
Depreciation	(14,074)	(1,424)	(1,980)	(6,302)	-	(23,780)
Closing net book amount	142,872	5,489	5,103	16,474	4,604	174,542
At 31 December 2009						
Cost	199,527	10,539	14,025	37,847	4,604	266,542
Accumulated depreciation	(56,655)	(5,050)	(8,922)	(21,373)	-	(92,000)
Net book amount	142,872	5,489	5,103	16,474	4,604	174,542

Company

	Buildings RMB'000	Machinery RMB'000	Office equipment RMB'000	Motor vehicles RMB'000	Construction in progress RMB'000	Total RMB'000
At 1 January 2008						
Cost	131,339	6,446	9,356	26,413	4,160	177,714
Accumulated depreciation	(29,628)	(2,783)	(5,473)	(8,314)	-	(46,198)
Net book amount	101,711	3,663	3,883	18,099	4,160	131,516
Year ended 31 December 2008						
Opening net book amount	101,711	3,663	3,883	18,099	4,160	131,516
Additions	-	1,183	2,187	6,216	38,481	48,067
Transfers	42,641	-	-	-	(42,641)	-
Disposals	-	(321)	(27)	(1,293)	-	(1,641)
Depreciation	(13,138)	(1,092)	(2,243)	(10,504)	-	(26,977)
Closing net book amount	131,214	3,433	3,800	12,518	-	150,965
At 31 December 2008						
Cost	173,980	7,061	10,965	29,250	-	221,256
Accumulated depreciation	(42,766)	(3,628)	(7,165)	(16,732)	-	(70,291)
Net book amount	131,214	3,433	3,800	12,518	-	150,965
Year ended 31 December 2009						
Opening net book amount	131,214	3,433	3,800	12,518	-	150,965
(Adjustment)/additions	(1,813)	2,708	1,748	6,603	2,033	11,279
Disposals	(851)	(65)	(47)	(244)	-	(1,207)
Depreciation	(13,119)	(1,276)	(1,586)	(5,290)	-	(21,271)
Closing net book amount	115,431	4,800	3,915	13,587	2,033	139,766
At 31 December 2009						
Cost	170,542	9,581	11,955	33,010	2,033	227,121
Accumulated depreciation	(55,111)	(4,781)	(8,040)	(19,423)	-	(87,355)
Net book amount	115,431	4,800	3,915	13,587	2,033	139,766

In 2008, the Group revised the estimated useful lives of certain property, plant and equipment, and such change reduced the Group's profit attributable to equity holders of the Company for the year ended 2008 by approximately RMB6,267,000.

As at 31 December 2009, the Company was in the process of obtaining the legal title of buildings with carrying amount of approximately RMB36,688,000 (2008: RMB42,023,000).

Depreciation expense charged to “cost of sales”, “distribution costs” and “administrative expenses” respectively was shown as follows:

	Group	
	2009	2008
	RMB’000	RMB’000
Cost of sales	16,335	22,001
Distribution costs	6,113	4,592
Administrative expenses	1,332	2,290
	23,780	28,883

Operating lease rentals for properties amounting to approximately RMB5,666,000 (2008: RMB3,630,000) are included in profit or loss (Note 9).

5 Trade receivables

	Group		Company	
	2009	2008	2009	2008
	RMB’000	RMB’000	RMB’000	RMB’000
Accounts receivable (Note (a))	49,046	45,743	42,950	37,414
Less: provision for impairment of receivables	(6,338)	(8,122)	(6,166)	(7,906)
Accounts receivable - net	42,708	37,621	36,784	29,508
Bills receivable (Note (b))	134,790	72,910	134,474	72,212
	177,498	110,531	171,258	101,720

The carrying amounts of trade receivables represent their fair values.

(a) The Group offers credit terms to its customers ranging from cash on delivery to 90 days. Ageing analysis of accounts receivable at 31 December 2009 and 2008 were as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB’000	RMB’000	RMB’000	RMB’000
0 to 90 days	34,196	24,800	28,388	16,743
91 to 180 days	5,223	6,396	4,935	6,358
181 to 365 days	4,066	7,559	4,066	7,325
Over 1 year	5,561	6,988	5,561	6,988
	49,046	45,743	42,950	37,414

As at 31 December 2009 and 2008, trade receivables of approximately RMB34,196,000 and RMB28,388,000 were fully performing.

As at 31 December 2009 and 2008, trade receivables of approximately RMB5,223,000 and RMB6,396,000 were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
91 to 180 days	5,223	6,396	4,935	6,358

As at 31 December 2009 and 2008, trade receivables of RMB9,627,000 and RMB14,547,000 were impaired and provided for. The amount of the provision was RMB6,338,000 and RMB8,122,000 as at 31 December 2009 and 2008. The individually impaired receivables mainly relate to certain customers, which are in difficult financial situations. It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
181 to 365 days	4,066	7,559	4,066	7,325
Over 1 year	5,561	6,988	5,561	6,988
	9,627	14,547	9,627	14,313

(b) Ageing analysis of bills receivable at 31 December 2009 and 2008 were as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
0 to 180 days	134,790	72,910	134,474	72,212

Bills receivable do not contain impaired balances.

As at 31 December 2009, bills receivable amounted to RMB8,000,000 (2008: RMB9,000,000) were pledged for bills payable (Note 7).

Movement on the provision for impairment of trade receivables are as follows:

	Group		Company	
	2009 RMB'000	2008 RMB'000	2009 RMB'000	2008 RMB'000
At 1 January	8,122	5,129	7,906	5,129
(Reversal)/provision for impairment of accounts receivables	(1,695)	3,001	(1,651)	2,785
Accounts receivables written off during the year as uncollectible	(89)	(8)	(89)	(8)
At 31 December	6,338	8,122	6,166	7,906

The Group has recognised the reversal for impairment of trade receivables in "administrative expenses" in profit or loss (Note 9). This is mainly due to collection of some impaired receivables in 2009, as a result of the improved financial status of certain customers along with the recovery of economy. Amounts charged to allowance account are generally written off, when there is no expectation of recovering additional cash.

As at 31 December 2009, approximately 64% (2008: approximately 63%) of the total amount of trade receivables and due from related parties was due from the five largest customers. The carrying amount of trade receivables and due from related parties represents the Group's maximum exposure to credit risk in relation to its financial assets. The Group does not hold any collateral as security.

6 Reserves

Group

	Capital surplus	Statutory surplus reserve fund	Discretionary surplus reserve fund	Retained earnings	Total
	RMB'000 Note (a)	RMB'000 Note (b)	RMB'000 Note (c)	RMB'000	RMB'000
At 1 January 2008	75,150	26,502	4,835	151,396	257,883
Net profit for the year	-	-	-	100,295	100,295
Dividends (Note 12)	-	-	-	(12,965)	(12,965)
Appropriation (Note (b))	-	9,145	-	(9,145)	-
At 31 December 2008	75,150	35,647	4,835	229,581	345,213
Net profit for the year	-	-	-	130,235	130,235
Dividends (Note 12)	-	-	-	(14,586)	(14,586)
Appropriation (Note (b))	-	11,384	-	(11,384)	-
At 31 December 2009	75,150	47,031	4,835	333,846	460,862

Company

	Capital surplus	Statutory surplus reserve fund	Discretionary surplus reserve fund	Retained earnings	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	Note (a)	Note (b)	Note (c)		
At 1 January 2008	75,150	26,502	4,835	153,434	259,921
Net profit for the year	-	-	-	90,148	90,148
Dividends (Note 12)	-	-	-	(12,965)	(12,965)
Appropriation (Note (b))	-	9,145	-	(9,145)	-
At 31 December 2008	75,150	35,647	4,835	221,472	337,104
Net profit for the year	-	-	-	112,389	112,389
Dividends (Note 12)	-	-	-	(14,586)	(14,586)
Appropriation (Note (b))	-	11,384	-	(11,384)	-
At 31 December 2009	75,150	47,031	4,835	307,891	434,907

(a) Capital surplus

Capital surplus represented the share premium of the issuance of 50,000,000 H shares.

(b) Statutory reserves

In accordance with the relevant laws and regulations in the PRC and Articles of Association of the Company, it is required to appropriate 10% of its annual statutory net profit, after offsetting any prior years' losses as determined under the PRC accounting standards, to the statutory surplus reserve fund before distributing the net profit. When the balance of the statutory surplus reserve fund reaches 50% of the Company's share capital, any further appropriation is at the discretion of shareholders. The statutory surplus reserve fund can be used to offset prior years' losses, if any, and may be converted into share capital by issuing new shares to shareholders in proportion to their existing shareholding or by increasing the par value of the shares currently held by them, provided that the remaining balance of the statutory surplus reserve fund after such issue is not less than 25% of share capital.

For the year ended 31 December 2009, approximately RMB11,384,000 (2008: RMB9,145,000) was appropriated to the statutory surplus reserve fund from net profit.

(c) Discretionary surplus reserve

Pursuant to the Articles of Association of the Company, the Company has the discretion to appropriate its annual statutory net profit to the discretionary surplus reserve fund after the appropriation of statutory surplus reserve fund upon the approval by shareholders. The discretionary surplus reserve fund can be used to offset prior years' losses, if any, and may be converted into share capital.

7 Trade and other payables

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
Accounts payable (Note(a))	325,769	165,803	221,077	130,468
Bills payable (Note(b))	14,400	14,900	14,400	14,900
Other payables	82,298	72,427	75,276	62,932
Other taxes	2,264	5,541	1,644	4,684
	424,731	258,671	312,397	212,984

(a) Ageing analysis of accounts payable was as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
0 to 90 days	324,049	161,775	220,004	126,598
91 to 180 days	1,178	1,525	591	1,522
181 to 365 days	70	431	45	276
Over 1 year	472	2,072	437	2,072
	325,769	165,803	221,077	130,468

(b) As at 31 December 2009, all the bills payable were due within 6 months, and secured by bank deposits of RMB9,300,000 (2008: RMB10,000,000) and bills receivable of RMB8,000,000 (2008: RMB9,000,000) (Note 5(b)).

8 Revenue

Revenues recognised for the year ended 31 December 2009 and 2008 are as follows:

	2009 RMB'000	2008 RMB'000
Revenue		
Related party transactions (Note 16)		
Transportation of finished vehicles	1,573,887	924,846
Supply chain management for automobile components and parts		
- sales of package materials and processing of tyres	34,988	-
- other supply chain management	469,110	457,792
Others	6,203	-
Subtotal	2,084,188	1,382,638
Transactions with unrelated parties		
Transportation of finished vehicles	32,732	11,836
Supply chain management for automobile components and parts	56,662	68,221
Transportation of non-vehicle commodities	106,402	102,542
Sales of packages of vehicle spare parts	4,739	-
Subtotal	200,535	182,599
Total	2,284,723	1,565,237

9 Expenses by nature

	2009 RMB'000	2008 RMB'000
Transportation fee	1,814,321	1,219,049
Changes in inventories of finished goods and work in progress	(1,904)	-
Raw materials and consumables used	34,875	-
Employee benefit expense	155,180	118,715
Depreciation of property, plant and equipment (Note 4)	23,780	28,883
Amortisation of prepaid lease payments	3,071	2,630
Amortisation of intangible assets	394	339
(Reversal)/provision for impairment of receivables (Note 5)	(1,695)	3,001
Provision of impairment of due from related parties (Note 16)	242	281
Amortisation of deferred income	(2,795)	(3,455)
Operating lease rentals for office premises and distribution centres (Note 4)	5,666	3,630
Loss on disposal of property, plant and equipment	1,000	1,025
Business tax	19,787	16,238
Auditors' remuneration	1,150	1,048
Entertainment expense	4,013	3,715
Travelling expense	3,261	2,836
Other expenses	59,849	47,359
Total cost of sales, distribution costs and administrative expenses	2,120,195	1,445,294

10 Income tax expense

	2009 RMB'000	2008 RMB'000
Current tax:		
Current PRC corporate income tax ("CIT") on profits for the year	28,389	22,053
Adjustments in respect of prior year	(1,015)	-
Total current tax	27,374	22,053
Deferred tax		
Origination and reversal of temporary differences	745	(2,643)
Re-measurement of deferred tax	(2,385)	-
Total deferred tax	(1,640)	(2,643)
Income tax expense	25,734	19,410

The Company and its subsidiaries are subject to different CIT rates. The applicable and actual CIT rates are shown as follows:

	2009		2008	
	Applicable tax rate	Actual tax rate	Applicable tax rate	Actual tax rate
Company	15.0%	15.0%	15.0%	15.0%
Chongqing Changan Minsheng Boyu Transportation Co. Ltd ("Chongqing Boyu", formerly named as "Chongqing CMAL Gangcheng Logistics Co. Ltd")	15.0%	15.0%	15.0%	15.0%
Nanjing CMSC Logistics Co., Ltd ("Nanjing CMSC")	25.0%	25.0%	25.0%	25.0%
Chongqing Changan Minsheng Future Bonded Logistics Co. Ltd ("Chongqing Future")	25.0%	25.0%	N/A	N/A

On 16 March 2007, the National People's Congress approved the Corporate Income Tax Law of the People's Republic of China (the new "CIT Law"). The new CIT Law was effective from 1 January 2008. Pursuant to detailed measures of the new CIT Law in respect of West China Development Champion, the applicable CIT rates of the Company and Chongqing Boyu are 15% from 2008 to 2010. The applicable CIT rates of Nanjing CMSC and Chongqing Future are 25% .

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2009 RMB'000	2008 RMB'000
Profit before tax	168,664	123,149
Tax calculated at actual tax rates applicable to each group entities	28,215	19,167
Expenses not deductible for tax purposes	1,283	359
Share of profit of associates	(298)	(72)
Re-measurement of deferred tax (Note (a))	(2,385)	-
Over provision in prior years	(1,015)	-
Others	(66)	(44)
Tax charge	25,734	19,410

(a) Re-measurement of deferred tax

As at the date of this report, as no specific regulation has been promulgated to substitute the detailed measures of the new CIT Law in respect of West China Development Champion, the Group changed to adopt the statutory tax rate of 25%, which will be effective from 2011 onwards, in measuring deferred tax that is expected to reverse after 2010. Such change resulted in an income tax expenses of approximately RMB2,385,000 being credited to profit or loss.

The weighted average applicable tax rate was 16.7% (2008: 15.6%). The increase is caused by a change in the profitability of Nanjing CMSC.

11 Earnings per share

Basic earnings per share is calculated by dividing the Group's profit attributable to shareholders of the Company by the weighted average number of shares in issue for the years ended 31 December 2009 and 2008, respectively.

	2009 RMB'000	2008 RMB'000
Group's profit attributable to equity holders of the Company	130,235	100,295
Weighted average number of shares in issue (in thousands)	162,064	162,064
Basic earnings per share (RMB per share)	0.80	0.62

Diluted earnings per share is the same as basic earnings per share as there were no potentially dilutive instruments outstanding.

12 Dividends

Based on the Notice [1995] 31 issued by the Ministry of Finance in PRC on 24 August 1995, the dividend appropriation of the Company after the listing of its H Shares on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited is determined based on the lower of retained earnings in the financial statements prepared in accordance with (i) PRC accounting standards, and (ii) HKFRS.

During the Board of Directors' meeting on 21 March 2008, the directors of the Company proposed to declare final dividend of RMB0.08 per share, totalling RMB12,965,000, which was approved during the annual general meeting of shareholders on 20 June 2008. This dividend was accounted for as an appropriation of retained earnings for the year ended 31 December 2008. The allocation basis of the dividends being distributed to the shareholders was based on the number of shares in issue of 162,064,000 as at 31 December 2007.

During the Board of Directors' meeting on 20 March 2009, the directors of the Company proposed to declare final dividend of RMB0.09 per share, totalling RMB14,586,000, which was approved during the annual general meeting of shareholders on 19 June 2009. This dividend was accounted for as an appropriation of retained earnings for the year ended 31 December 2009. The allocation basis of the dividends being distributed to the shareholders was based on the number of shares in issue of 162,064,000 as at 31 December 2008.

Pursuant to the resolution of the Board of Directors dated 19 March 2010, the directors of the Company proposed to declare final dividend of RMB0.09 per share, totalling RMB14,586,000. The proposed dividend is subject to approval at the annual general meeting of shareholders on 30 June 2010 and will be accounted for as an appropriation of retained earnings for the year ending 31 December 2010.

In accordance with the Circular Guoshuihan [2008] No. 897 issued by State Taxation Administration in November 2008, the dividends paid by Chinese listed companies to H-share foreign corporate shareholders is subject to withholding income tax at a rate of 10% on dividend paid in 2008 and subsequent years.

The aggregate amounts of the dividends paid and proposed during 2009 and 2008 have been disclosed in the consolidated statement of comprehensive income in accordance with the Hong Kong Companies Ordinance.

13 Finance income

	2009 RMB'000	2008 RMB'000
Interest income on bank deposits	1,526	1,963

14 Finance costs

	2009 RMB'000	2008 RMB'000
Interest expense	1,235	3,045
Exchange (gains)/losses	(105)	518
	1,130	3,563

15 Segment information

Management has determined the operating segments based on the reports reviewed by the general manager meeting of the Company on monthly basis that are used to make strategic decisions.

The general manager meeting considers the business from a service perspective only, as geographically all the services are provided in PRC, which is considered as one geographic location with similar risks and returns.

The reportable operating segments derive their revenue primarily from the rendering of transportation and supply chain management for automobile components and parts, and transportation of non-vehicle commodities services.

Other services include the sales of package materials and processing of tyres, and the results of these operations are included in the "all other segments" column.

The general manager meeting assesses the performance of the operating segments based on a measure of adjusted operating profit. This measurement basis excludes other income and administrative expenses. The measure also excludes the effects of the depreciation of property, plant and equipment, amortisation of prepaid lease payments and intangible assets, which are not allocated to segments, as these types of assets are driven by the central investment function, which manages the long-term assets investments of the Group.

The segment information provided to the general manager meeting for the reportable segments for the year ended 31 December 2009 is as follows:

	Transportation and supply chain management for vehicle commodities	Transportation of non-vehicle commodities	All other segments	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Segment revenue	2,132,391	106,402	45,930	2,284,723
Inter-segment revenue	-	-	-	-
Revenue from external customers	**2,132,391**	**106,402**	**45,930**	**2,284,723**
Adjusted operating profit	**214,650**	**9,640**	**6,888**	**231,178**
Total assets	**373,124**	**26,982**	**2,394**	**402,500**

The segment information for the year ended 31 December 2008 is as follows:

	Transportation and supply chain management for vehicle commodities RMB'000	Transportation of non-vehicle commodities RMB'000	All other segments RMB'000	Total RMB'000
Segment revenue	1,459,661	102,542	3,034	1,565,237
Inter-segment revenue	-	-	-	-
Revenue from external customers	**1,459,661**	**102,542**	**3,034**	**1,565,237**
Adjusted operating profit	**175,126**	**15,661**	**3,034**	**193,821**
Total assets	**287,797**	**14,573**	**602**	**302,972**

Sales between segments are carried out without profit making. The revenue from external parties reported to the general manager meeting is measured in a manner consistent with that in the consolidated statement of comprehensive income. The details are included in Note 8.

A reconciliation of adjusted operating profit to profit before tax is provided as follows:

	2009 RMB'000	2008 RMB'000
Adjusted operating profit for reportable segments	224,290	190,787
Other segments adjusted operating profit	6,888	3,034
Total segments	231,178	193,821
Depreciation and amortisation included in cost of sales and distribution cost	(24,996)	(28,998)
Other income	1,756	4,330
Administrative expenses	(41,654)	(44,880)
Finance income/(costs) – net	396	(1,600)
Share of profit of associates	1,984	476
Profit before income tax	168,664	123,149

Reportable segments' assets are reconciled to total assets as follows:

	2009 RMB'000	2008 RMB'000
Segment assets for reportable segments	400,106	302,370
Other segments assets	2,394	602
Unallocated:		
Property, plant and equipment	174,542	185,316
Prepaid lease payments	129,653	120,901
Intangible assets	2,915	3,100
Investments in associates	16,811	14,827
Deferred income tax assets	6,866	5,226
Other current assets	491,515	257,084
Total assets per balance sheet	1,224,802	889,426

The entity is domiciled in China. All its revenue from external customers are derived from PRC, and all the non-current assets (there are no financial instrument, employment benefit assets and rights arising under insurance contracts) are located in PRC.

Revenue of approximately RMB951 million, RMB568 million and RMB249 million (2008: RMB695 million, RMB309 million and RMB102 million) are derived from three external customers, respectively. These revenues are attributable to transportation and supply chain management for vehicle commodities segment.

16 Related party transactions

(a) For the year ended 31 December 2009, related parties, other than the subsidiaries, and their relationship with the Group are as follows:

Name of related party	Relationship
Changan Industry Group ("Changan Industry", formerly named as "Changan Automobile (Group) Company Limited")	Shareholder
APLL	Shareholder
Minsheng Industrial (Group) Company Limited ("Minsheng Industrial")	Shareholder
APL Logistics (China) Co., Ltd. ("APLLC")	Subsidiary of APLL
China South Industries Group Corporation ("CSI Group")	Parent company of Changan Industry
China Changan Automobile Group ("Changan Group", formerly named as "China South Automobile Company Limited")	Subsidiary of CSI Group
Chongqing Changan Automobile Company Limited ("Changan Automobile")	Subsidiary of Changan Group
Chongqing Changan Jinling Automobile Parts Liability Company Limited ("Changan Jinling")	Subsidiary of Changan Group
Chongqing Changan Construction Company Limited ("Changan Construction")	Subsidiary of Changan Industry
Chongqing Changan Lingyun Automobile Parts Company Limited ("Changan Lingyun")	Associate of Changan Jinling
Minsheng International Freight Company Limited ("Minsheng International Freight")	Subsidiary of Minsheng Industrial
Minsheng Logistics Company Limited ("Minsheng Logistics")	Subsidiary of Minsheng Industrial
Minsheng Shipping Company Limited ("Minsheng Shipping")	Subsidiary of Minsheng Industrial
Chongqing Changan International Sales and Services Company Limited ("Changan International Sales")	Subsidiary of Changan Automobile
Hebei Changan Automobile Company Limited ("Changan Hebei")	Subsidiary of Changan Automobile
Hebei Changan Commercial Vehicle Company Limited ("Changan Hebei Commercial")	Subsidiary of Changan Automobile
Nanjing Changan Automobile Company Limited ("Changan Nanjing")	Subsidiary of Changan Automobile
Chongqing Changan Suzuki Automobile Company Limited ("Changan Suzuki")	Subsidiary of Changan Automobile
Chongqing Changan Automobile Supporting Service Co., Ltd. ("Changan Service")	Subsidiary of Changan Automobile
Jiangling Motor Holding Company Limited ("Jiangling Holding")	Jointly controlled entity of Changan Automobile
Chongqing Changan Ford Mazda Automobile Company Limited ("Changan Ford")	Jointly controlled entity of Changan Automobile
Changan Ford Mazda Engine Company Limited ("Changan Ford Engine")	Jointly controlled entity of Changan Automobile
Chongqing Ante Import and Export Trading Company Limited ("Chongqing Ante")	Subsidiary of Changan Ford
Chongqing Tsingshan Industries Company Limited ("Chongqing Tsingshan")	Subsidiary of Changan Group
Wuhan Minfutong	Associate
Chongqing Terui	Associate
Beijing Changjiu Logistics Company Limited ("Beijing Changjiu")	Minority shareholder of Nanjing CMSC

(b) As at 31 December 2009, the related party balances were shown as follows:

Due from related parties

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
Balance from rendering of services				
Subsidiaries				
-Nanjing CMSC	-	-	4,522	1,560
-Chongqing Boyu	-	-	-	7,100
Other related parties				
-Changan Automobile	150,514	127,008	65,203	40,248
-Changan Ford	34,077	19,346	-	-
-Changan Ford Engine	3,202	6,241	20	207
-Changan Hebei	11,630	14,333	11,630	14,333
-Changan Hebei Commercial	100,803	60,854	100,803	60,854
-Changan Nanjing	45,642	23,900	45,642	23,900
-Chongqing Tsingshan	159	159	159	159
-Changan Lingyun	40	56	40	56
-Changan Suzuki	3,707	2,459	3,707	2,459
-Changan Industry	4,430	1,815	4,430	1,815
-Jiangling Holding	331	2,015	331	2,015
-Changan Jinling	2,642	2,271	2,642	2,271
-Changan Service	5,503	5,585	5,503	5,585
Subtotal	362,680	266,042	244,632	162,562
Less: provision for impairment of due from related parties	(523)	(281)	(523)	(281)
Subtotal	362,157	265,761	244,109	162,281

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
Balance of deposits for service quality guarantee (Note (a))				
Other related parties				
-Changan Ford	2,372	2,840	1,295	777
-Changan Automobile	748	812	748	815
-Changan Hebei	625	745	625	745
-Changan Nanjing	730	828	730	828
-Changan Suzuki	508	142	508	142
Subtotal	4,983	5,367	3,906	3,307
Prepayment for transportation services				
Other related parties				
-Minsheng Logistics	-	8,215	-	13,480
-Minsheng International Freight	1,300	133	1,296	-
Subtotal	1,300	8,348	1,296	13,480
Balances from subsidiaries				
-Chongqing Boyu	-	-	-	38,401
-Nanjing CMSC	-	-	3,843	7,868
-Chongqing Future	-	-	2,345	-
Subtotal	-	-	6,188	46,269
Other receivables				
Associates				
-Wuhan Minfutong	52	100	52	100
-Chongqing Terui	167	150	167	150
Other related parties				
-Changan Industry	759	-	759	-
-Minsheng Industrial	109	170	109	170
Subtotal	1,087	420	1,087	420
Total	369,527	279,896	256,586	225,757

Note:

(a) Deposits for service quality guarantee represents the deposits paid by the Group to its customers for the purpose of guaranteeing the quality of its logistics service provided. If the service quality does not meet the customers' requirements, the deposits will be deducted by the customers as compensation.

As at 31 December 2009, approximately 64% (2008: approximately 63%) of the total amount of trade receivables and due from related parties was due from the five largest customers. The carrying amount of trade receivables and due from related parties represents the Group's maximum exposure to credit risk in relation to its financial assets.

The Group offers credit terms to its related parties ranging from cash on delivery to 90 days. Ageing analysis of trading balance from rendering of services at 31 December 2009 and 2008 were as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
0 to 90 days	356,856	232,097	239,181	146,368
91 to 180 days	2,446	28,177	2,073	10,426
181 to 365 days	1,449	3,872	1,449	3,872
Over 1 year	1,929	1,896	1,929	1,896
	362,680	266,042	244,632	162,562

As at 31 December 2009 and 2008, due from related parties of approximately RMB5,301,000 and RMB32,101,000 were past due but not impaired. These relate to certain related parties for whom there is no recent history of default. The ageing analysis of these trade receivables is as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
91 to 180 days	2,446	28,177	2,073	10,426
181 to 365 days	1,449	2,034	1,449	2,034
Over 1 year	1,406	1,890	1,406	1,890
	5,301	32,101	4,928	14,350

As at 31 December 2009 and 2008, due from related parties of RMB523,000 and RMB1,844,000 were impaired and provided for. The amount of the provision was RMB523,000 and RMB281,000 as at 31 December 2009 and 2008. The individually impaired receivables mainly relate to certain related parties, which are in difficult financial situations. It was assessed that a portion of the receivables is expected to be recovered. The ageing of these receivables is as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
181 to 365 days	-	1,838	-	1,838
Over 1 year	523	6	523	6
	523	1,844	523	1,844

Movement of the provision for impairment of due from related parities are as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January	281	-	281	-
Provision of impairment of balances due from related parties	242	281	242	281
At 31 December	523	281	523	281

The Group has recognised the provision for impairment of due from related parties in "administrative expenses" in profit or loss (Note 9).

Due to related parties

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
Balance from transportation services provided by related parties				
Subsidiary:				
-Nanjing CMSC	-	-	-	4,241
Associate:				
-Wuhan Minfutong	12,368	4,715	12,368	4,715
-Chongqing Terui	4,293	6,046	4,281	5,967
Other related parties:				
-Minsheng Logistics	37,463	2,000	33,916	2,000
-Minsheng International Freight	-	14,063	-	14,063
-Minsheng Shipping	20,241	10,269	18,998	7,467
-Beijing Changjiu	8,018	4,351	6,178	3,580
Subtotal	82,383	41,444	75,741	42,033
Balance from timely settlement compensation fee payable to related party				
Other related party				
-Changan Automobile	-	1,400	-	1,399
Balance from construction services provided by related party				
Other related party				
-Changan Construction	7	7	7	7
Advances for rendering of services				
Other related parties				
-Changan Ford	24,220	25,671	24,220	25,671
- Changan International Sales	1,680	535	1,680	535
- Chongqing Ante	49	944	49	944
Subtotal	25,949	27,150	25,949	27,150

Due to related parties

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
Other payables				
Subsidiary				
-Chongqing Boyu	-	-	22,664	-
Associate				
-Chongqing Terui	-	878	-	878
Other related parties				
-Minsheng Logistics	405	405	405	405
-Changan Automobile	1,086	413	1,086	413
-Minsheng Shipping	4	1,092	4	1,092
-APLLC	200	200	200	200
-Changan Ford	-	272	-	272
-Changan Industry	-	367	-	367
-Changan Nanjing	217	-	217	-
-Minsheng Industrial	559	311	531	311
-Changan Construction	2,576	1,165	-	-
-Beijing Changjiu	401	421	401	421
Subtotal	5,448	4,359	25,508	4,359
Total	113,787	75,525	127,205	74,948

Ageing analysis of due to related parties at 31 December 2009 and 2008 were as follows:

	Group		Company	
	2009	2008	2009	2008
	RMB'000	RMB'000	RMB'000	RMB'000
0 to 90 days	109,893	69,869	124,311	70,470
91 to 180 days	1,365	1,457	1,365	1,453
181 to 365 days	469	1,926	469	752
Over 1 year	2,060	2,273	1,060	2,273
	113,787	75,525	127,205	74,948

As at 31 December 2009 and 2008 all the related party balances were interest-free and unsecured.

The carrying value of due from and due to related parties approximates their fair value due to the short-term maturity.

Chairman's Statement

On behalf of the Board of the Company, I am pleased to present the annual report of the Group for the year ended 31 December 2009 to all shareholders of the Company.

ANNUAL RESULTS

Under the background of the global financial crisis in 2009, the economy of China revealed a recovery due to the Chinese government introduced and implemented a series of stimulus policies, especially the RMB4,000 billion investment plan and Ten Industries Revival Plans which boost the revival of China's economy. In 2009 the GDP of China achieved RMB33535.3 billion yuan, representing an increase of 8.7% for the corresponding period in 2008 which is close to the 9% growth rate in 2008.

On 10 March 2009, the Adjustment and Vitalization Plan for Logistics Industry (Decree No. [2009] 8) issued by the State Council put forward the goal that in the future the average annual growth value of logistics industry would reach over 10%. The Adjustment and Vitalization Plan for Automobile Industry issued by the State Council put forward that the production and sales of automobile would increase steadily, in 2009 the production and sales volume of automobile would exceed 10,000,000 vehicles and the average growth rate for the three years would achieve 10%. Besides, the policies including exemption of half purchasing tax for 1.6L and below emission automobiles (for the whole 2009), the automobile go to countryside, acceleration on automobile disposal and using energy saving and new energy automobile, are all implemented. With the carrying out of these adjustment and vitalization plans, it brings revival and creates hope to the domestic automobile and logistics industries which were affected by the global financial turmoil and the automobile industry changed its downturn situation in the next half year of 2008, representing a good developing status for both production and sales. In 2009, the automobile production volume in the PRC was 13,800,000 vehicles, representing an increase of 48% for the corresponding period of the last year while the automobile sales volume in the PRC was 13,600,000 vehicles, representing an increase of 46% for the corresponding period of the last year. The production and sales volume of automobile in the PRC had exceeded the USA, the PRC then became the largest new car consumption market in the world.

The Group's customers are mainly in the automobile industry. The automobile production volume and sales volume of the Group's customers in 2009 maintained a rapid increasing momentum due to the influence of many economic stimulus policies and automobile industry policy with a total volume of over 1,400,000 vehicles. As one of the third party logistics services providers in China, through its creative logistics services ideas, rich logistics design and operating experience and well-established service network throughout the PRC, the Group kept optimizing the supply chain management operation mode, integrating logistics resources and optimizing the business process in 2009. These facilitated the Group achieving a highly efficient, low cost and good quality lean logistics service capacity and being able to achieve a good result in 2009.

For the year ended 31 December 2009, the Group's revenue was approximately RMB2,284,723,000, up approximately 45.97% from 2008. Profits attributable to the equity holders of the Company were approximately RMB130,235,000, up approximately 29.85% from the same period in 2008. Earnings per share was RMB0.80 for the year ended 31 December 2009 (2008:RMB0.62).

ANNUAL REVIEW

Setting branches and enhancing logistics service capacity

On 12 January 2009, Yubei Branch was established in Yubei District, Chongqing. The establishment of this branch further integrated the logistics system in Changan Industrial Park, can more effectively make overall arrangements of the existing logistics resources, improving logistics efficiency and control logistics costs; and by this opportunity, further explore the logistics business in the Changan Industrial Park and Air Port Industrial Park.

On 18 March 2009, Chongqing Future was established in the Bonded Port in New Northern Zone, Chongqing. This company mainly engages in processing and packaging, car components & parts subseembly, import & export of goods and international freight forwarding services. With the establishment of Chongqing Future and the closure of the Bonded Port, the Company will seize the opportunity of setting bonded port in Chongqing and extending open scope to the outside, build an integrated automobile and car components & parts import & export logistics platform for our major customer Chongqing Changan Automobile Company Limited (“Changan Automobile”) and Changan Ford Mazda Automobile Company Limited (“CFMA”) to better meet the customers’ logistics demand; we will also continuously explore the bonded logistics business, enhance the logistics service capacity and strengthen the market competition and sustainable developing capacity.

Start and propel PROFESSION, improving the Company's logistics technology level

In order to become a modern logistics enterprise of totalization and globalization, the Company started its PROFESSION strategy in 2009 and will implement the strategy thoroughly in 2010. The PROFESSION includes planning of goals, clear responsibilities, criteria of behaviours, standardization of procedures, criteria of operations and quantification of processing monitor. The implementation of the PROFESSION strategy will further enhance the Company's logistics technology service capacity, offer more professional logistics services to the customers and make solid foundation for the striving to be a world first class logistics enterprise.

Awards

The company has achieved a good operating results in 2009 while the same has been recognised by the community. On 13 February 2009, the Company was awarded the Advanced Enterprise of Developing Open Economy in Chongqing in 2008 by Chongqing Municipal People's Government. On 24 March 2009, the CFMA Automobile Distribution Center of the Company was awarded the Second Batch of Important Modern Logistics Projects in Chongqing by Chongqing Development and Reform Commission. In March 2009, the Company was awarded Service Outsoucing Demonstration Enterprise. On 19 May 2009, the Finished Vehicles Logistics Management Information System and the Components & Parts Logistics Management Information System researched and developed by the Company obtained the registered certificate of computer software copyright issued by the State Copyright Bureau. In July 2009, the Company won the title of 3A Grade of the Excellent Enterprise of Evaluation on Quality of Security Service of Road Freight Station issued by Chongqing Road Transport Administration. On 4 September 2009, the Company was awarded the Outstanding Automobile Logistics Enterprise in China of the Outstanding Contribution of Influence to 2008 – 2009 China Logistics, appraised and elected by Modern Logistics and China Logistics Technology Organizing Committee. On 21 December 2009, the Company was awarded the Advanced Enterprise for 2009 Statistics Work by the Administrative Committee of Chongqing New Northern Zone. On 31 December 2009, the Future Bonded Logistics Project of the Company was awarded the Third Batch of Important Modern Logistics Projects in Chongqing by Chongqing Development and Reform Commission. On 22 January 2010, the Company won the prize of 5A Grade Logistics Enterprise issued by China Federation of Logistics & Purchasing. In January 2010, the Company was awarded one of the Top Ten Foreign Investment Enterprises in Chongqing in 2009 by Chongqing Municipal People's Government.

OUTLOOK AND PROSPECTS

In order to encourage the stable and fast development of automobile industry to stimulate consumption and promote production and stimulate the economic growth in China, the PRC government issued the Notice on Continuously Implementation on the Policy of Automobile Go to Countryside on 4 January 2010, which decided to prolong the implementation of the policy for another year to the end of 31 December 2010; issued the Notice on Permission of Enjoying the Preferential Policies of Both the Automobile Replacement Subsidy and Reduced Vehicle Purchase Tax on 4 January 2010, which decided to permit the car owners which are in accordance with the conditions can enjoy the preferential policies of both the auto replacement subsidy and reduced vehicle purchase tax under 1.6L emission (including 1.6L) since 1 January 2010 (the purchase tax rate is 7.5% in 2010 and 5% in 2009). Therefore, we believe China's economy will be better in 2010 and the automobile industry thus has a bright future. The Board also believes that the growth of the domestic demand will further boost the increasing momentum of the production and sales volume of China's automobile.

In 2010, although the competition among automobile logistics market is more and more fierce, the Group will seek to continue to strengthen its relationship with the existing customers and expand the scope of services for them, explore new opportunities for business development, enhance its marketing initiatives and strengthen communication with other well-established industry players to explore cooperation opportunities.

The Board and I are very optimistic about the prospect of the Group. The Group will work together with various parties to establish a stronger professional logistics services team, a more extensive logistics services network as well as a more flexible logistics services system. The Group is striving to become a first-class logistics enterprise in China.

I would like to take this opportunity to express my heartfelt thanks to the members of the Board and all the staff of the Group for their effective work and unremitting efforts. As in the past, the Company will strive to reward all its shareholders for their great support.

Chairman
Yin Jiaxu

Chongqing, the PRC
19 March 2010

Management Discussion and Analysis

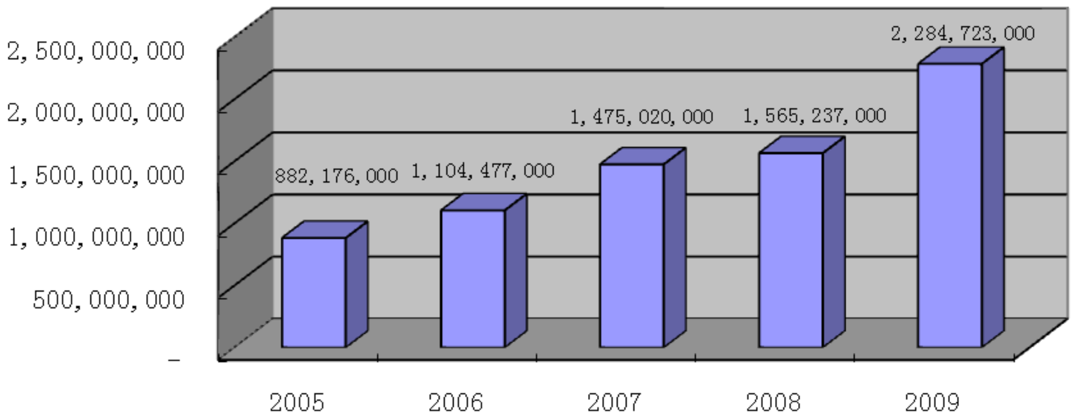
The figures in respect of the preliminary announcement of the Group’s results for the year ended 31 December 2009 have been agreed by the Group’s auditor, PwC Hong Kong, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by PwC Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PwC Hong Kong on the preliminary announcement.

BUSINESS REVIEW

The principal businesses of the Group include finished vehicle transportation and related logistics services, car components and parts supply chain management services and non-vehicle commodities transportation services. The Group's major customers include Changan Automobile, Changan Ford Mazda, Changan Hebei, Changan Nanjing, Bao Tou Beifangbenchi Heavy-Duty Truck Co., Ltd., Webasto Roof Systems (Shanghai) Ltd., Shanghai Delphi International Battery Company Ltd., Yanfeng Visteon Automotive Electronics Co., Ltd., and Chengdu Baogang West Trade Company Limited, etc.

During the reporting period, the PRC economy maintained a moderate growth, and the GDP grew 8.7%, as compared with the corresponding period of 2008. In 2009, sales in the automobile industry, to which important customers of the Group belong, increased 46% which has factored in the impact of the stimulated economic policies and automobile industry policies, especially the reduced vehicle purchase tax under 1.6L emission (including 1.6L) and the policy of automobile go to countryside. The production and sales volume of the major customers of the Group maintained a rapid increasing rate and the production and sales volumes all exceeded 1,400,000 vehicles. Through the strengthening of traditional logistics services, better after-sales services and an extension scope of supply chain management provided by the Group, for the year ended 31 December 2009, the revenue of the Group was approximately RMB2,284,723,000, up approximately 45.97% from RMB1,565,237,000 of last year.

Chart 1: Growth in revenue for the five years ended 31 December 2009 (unit: RMB yuan)



Transportation of Finished Vehicles

For the year ended 31 December 2009, the revenue from the finished vehicles transportation services was RMB1,606,619,000, up approximately 71.52% from RMB936,682,000 of last year.

Car Components & Parts Supply Chain Management

During the reporting period, the revenue from the car components & parts supply chain management services was RMB560,760,000, up approximately 6.61% from RMB526,013,000 of last year.

Transportation of Non-vehicle Commodities

During the reporting period, the revenue of the Group from such logistics services was RMB106,402,000, up approximately 3.76% from RMB102,542,000 of last year.

Logistics Services Network

In order to broaden its services network and enhance its services capability, the Company strengthened the infrastructure of its branches by better utilising the information technology system and managing them in a more scientific way. As at 31 December 2009, the Company had a total of 16 branches, subsidiaries, associated companies and representative offices, which are mainly located in East China, Central China, North China, South China and Southwest China (Chart Two). The continuous enhancement of service network enables the Group to provide logistics services to different parts of the country.

Chart 2: Location of the Company's existing branches, subsidiaries and representative offices

FINANCIAL REVIEW

Cost of sales and gross profit margin

For the year ended 31 December 2009, the Group's cost of sales was approximately RMB 2,016,652,000 (2008: RMB 1,352,971,000), up approximately 49.05% from the previous financial year. During the reporting year, as influenced by the soaring price of fuel and the tension transportation capacity, the Group's cost of sales increased rapidly and the gross profit margin decreased to 11.73% (2008: 13.56%).

Distribution Expenses

The Group's distribution expenses of approximately RMB 61,889,000 for the year ended 31 December 2009 represented approximately 2.71% of the Group's revenue during the year (2008: 3.03%).

The distribution expenses included salaries and benefits, traveling, business and communication expenses, and marketing and promotion expenses incurred by the Group's sales and marketing department. Such expenses increased by approximately 30.45% from last year.

Administrative Expenses

The Group's administrative expenses increased from RMB44,880,000 in 2008 to RMB41,654,000 in 2009.

Finance Costs

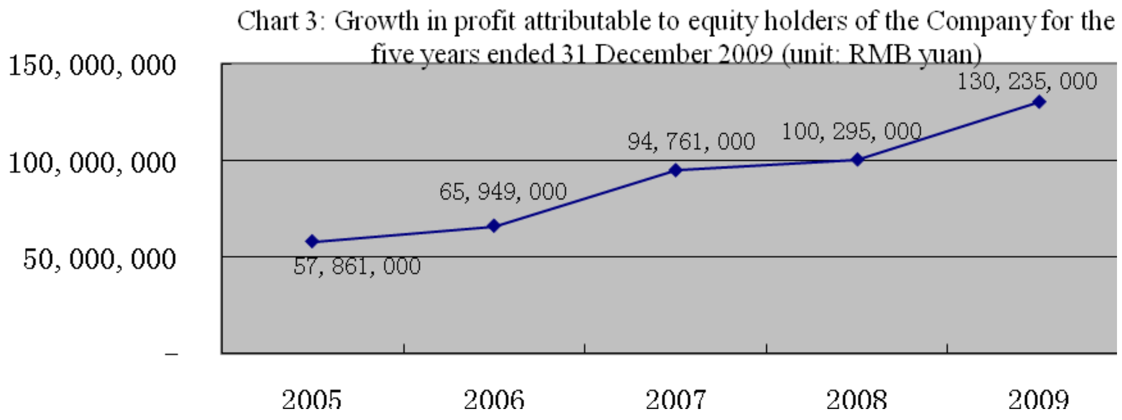
The Group's finance costs for the year amounted to RMB1,130,000 (2008: RMB3,563,000). The decreasing of the finance costs is due to the large decreasing of the loans taken from financial organizations. As at 31 December 2009, the Group had no bank borrowings.

Taxation

The weighted average applicable tax rate of the Group increased from 15.6% in 2008 to 16.7% for the year ended 31 December 2009, which led to an increase in the income tax expenses for the year from RMB19,410,000 to RMB25,734,000.

Profit Attributable to Equity Holders

During the year, the profit attributable to equity holders of the Company was RMB130,235,000, up approximately 29.85% from the previous financial year.



Dividends

The Board recommended the payment of a final dividend of RMB0.09 (including tax) (2008: RMB0.09 (including tax)) per share for the year ended 31 December 2009 to shareholders registered in the register of members of the Company on 29 June 2010. The final dividend is expected to be payable on or before 30

September 2010 upon approval of the Board's proposal by shareholders at the annual general meeting.

Liquidity and Financial Resources

The Group maintained a sound position for the year ended 31 December 2009. As at 31 December 2009, the balance of the Group's cash and bank deposit was RMB323,662,000 (31 December 2008: RMB143,239,000). As at 31 December 2009, total assets of the Group amounted to RMB1,224,802,000 (31 December 2008: RMB889,426,000). Capital resources were current liabilities of RMB554,620,000 (31 December 2008: RMB344,980,000), non-current liabilities of RMB7,707,000 (31 December 2008: RMB10,315,000), shareholders' interests (excluding minority interest) of RMB622,926,000 (31 December 2008: RMB507,277,000) and minority interests of RMB39,549,000 (31 December 2008: RMB26,854,000).

Capital Structure

For the year ended 31 December 2009, there was no change in the Company's share capital.

Loans and Borrowings

As at 31 December 2009, the balance of the Group's bank loans and borrowings was 0 (31 December 2008: 0).

Gearing Ratio

As at 31 December 2009, the gearing ratio (total liabilities as a percentage of total assets) of the Group was approximately 45.91% (31 December 2008: 39.95%). The ratio of total liabilities to total equities of the Group was approximately 0.85:1 (31 December 2008: 0.67:1).

Pledge of Assets

As at 31 December 2009, the Group had not pledged any assets as security, and there were no bank borrowings.

Exchange Rate Risks

As the Group had limited transactions denominated in foreign currencies, there is no significant effect on the Group's operations.

Contingent Liabilities

As at 31 December 2009, the Group did not have any significant contingent liabilities.

Capital Commitment

As at 31 December 2009, the Group capital expenditure at the balance sheet date but not yet incurred was as follows:

	2009	2008
	RMB'000	RMB'000
Property, plant and equipment		
Contracted but not provided for	18,006	29,332
Approved but not signed the contract	-	-
Prepaid lease payments		
Approved but not provided for	-	-
	18,006	29,332

Significant Purchase of Sale of Subsidiaries and Associates

During the reporting period, the Group had not made any significant purchase or sale of subsidiaries and associates.

Substantial Investment

During the year, RMB30,000,000 was invested to establish a wholly-owned subsidiary, Chongqing Future. Please refer to the Chairman's Statement and the Report of the Directors of this report.

Employees

As at 31 December 2009, the Company employed 3,650 employees (31 December 2008: 2,974 employees).

The breakdown of number of employees by functions is as follows:

	31 December 2009	31 December 2008
Administration and finance	113	94
Information and technology	45	35
Sales and marketing	82	69
Operation	3,410	2,776
Total	3,650	2,974

Remuneration Policy

Salaries of Company's employees are determined by reference to market rates, performances, qualification and experience of the relevant employees. Discretionary bonus may also be given based on performance of individual staff during the year in order to award the employees for their contributions to the Company. Other employee benefits include pension insurance, unemployment insurance, personal injury insurance and housing insurance.

Staff Quarters

During the year, the Company has not provided any staff quarters to the staff (2008: nil).

Corporate Governance Report

The Company believes that the Company can enhance its corporate governance and transparency by adhering to strict corporate governance practices in the interest of the shareholders of the Company. The Company has prepared the compliance manual of the Board (the "Manual") with a view to compliance with the GEM Listing Rules. During the reporting year, the Company complied with all the code provisions set out in the Code on Corporate Governance Practices contained in Appendix 15 of the GEM Listing Rules.

The following is a summary of key corporate governance practices of the Company:

Board

The Board comprises 14 directors, including 5 executive directors, 6 non-executive directors and 3 independent non-executive directors. The Board considers that the Board's composition has maintained a reasonable balance between 9 non-executive and independent nonexecutive directors and 5 executive directors. The 9 non-executive directors and independent non-executive directors participate actively in the formulation of the Company's policies and seek to represent the interests of shareholders as a whole.

The Company has 3 independent non-executive directors, of whom at least one has appropriate professional qualification and financial management expertise. The Company received the relevant independence confirmation letter from each of the independent non-executive directors in March 2010, and the Company considers that each of the independent non-executive directors has complied with the guidelines on independence set out in rule 5.09 of the GEM Listing Rules. The term of office of each independent non-executive director does not exceed 9 years.

There is no family or material relationship between the members of the Board.

The Board has held five meetings (including 4 regular meetings and 1 extra meeting) in 2009 to discuss and decide the Company's business strategies, key operational issues, financial matters and other matters set out in the articles of associations of the Company. Details of directors' attendance records at the Board's meetings held during the year are set out in the following table:

Directors	Number of attendance/Number of meetings
Executive directors	

Mr. Yin Jiaxu	5/5
Ms. Cui Xiaomei	5/5
Mr. Lu Xiaozhong	5/5
Mr. Shi Chaochun	5/5
Mr. James H McAdam	5/5
Non-executive directors	
Mr. Lu Guoji	5/5
Mr. Zhang Lungang	5/5
Mr. Joseph F Lee	5/5
Mr. Li Ming	5/5
Mr. Wu Xiaohua	5/5
Ms. Lau Man Yee, Vanessa	5/5
Independent non-executive directors	
Ms. Wang Xu	5/5
Mr. Peng Qifa	5/5
Mr. Chong Teck Sin	5/5

Cessation of Directors

On 20 March 2009 the Company received the letters of resignation from Mr. Zhang Baoling, Mr. Huang Zhangyun, Mr. Daniel C Ryan and Mr. Hua Zhanbiao. Due to their job changes, Mr. Zhang Baoling, Mr. Huang Zhangyun, Mr. Daniel C Ryan and Mr. Hua Zhanbiao resigned as directors, supervisor and/or other positions in the Company. Please refer to the announcement of the Company dated 20 March 2009 for more details.

On 20 March 2009, the substantial shareholder of the Company, Chongqing Changan Industry Company (Group) Limited ("Changan Industry Company"), formerly named Changan Automobile Company (Group) Limited nominated Ms. Cui Xiaomei to elect as an executive director of the Company, nominated Mr. Zhang Lungang to elect as a non-executive director of the Company and nominated Ms. Tang Dongmei to elect as a supervisor of the Company. On 20 March 2009, the substantial shareholder of the Company, APL Logistics Ltd. ("APL Logistics") nominated Mr. Joseph F Lee to elect as a non-executive director of the Company.

On 19 June 2009, Ms. Cui Xiaomei was elected as an executive director of the Company, Mr. Zhang Lungang and Mr. Joseph F Lee were elected as non-executive directors of the Company and Ms. Tang Dongmei was elected as a supervisor of the Company. Please refer to the announcement of the Company dated 19 June 2009 for more details.

On 19 March 2010, the Company received the resignation report from Mr. James H McAdamand and Mr. Joseph F. Lee. Due to their job changes, Mr. James H McAdamand and Mr. Joseph F. Lee resigned as directors and/or other positions in the Company. Please refer to the announcement of the Company dated 19 March 2010 for more details. On 19 March 2010, the substantial shareholder of the Company, APL Logistics nominated Mr. William K Villalo and Danny Goh Yan Nan to elect respectively as an executive director and a non-executive director of the Company.

Chairman and General Manager

The Company's chairman is Mr. Yin Jiaxu, and the general manager is Mr. Shi Chaochun. The chairman is responsible for setting the strategic direction of the Company and formulating the business strategies, while the general manager is responsible for overseeing the daily operations of the Company. The chairman is also responsible for ensuring the effective operation of the Board. The chairman encourages all the directors (including the independent non-executive directors) to be fully dedicated in carrying out their duties to members of the Board and its three committees.

Three Committees of the Board

The Company's audit committee, remuneration committee and nomination committee have laid down specific terms of reference, detailing the powers and responsibilities of these committees. All the committees shall report their decisions or submit their proposals to the Board within their authorities, and under certain circumstances, have to request for the Board's approval before taking any actions.

(1) Audit Committee

The Company has set up an audit committee pursuant to the requirements under Rule 5.28 of the GEM Listing Rules and the "Guidelines for the establishment of Audit Committees" published by Hong Kong Institute of Certified Public Accountants, with written terms of reference in compliance with Rule 5.29 of the GEM Listing Rules. The responsibilities of the audit committee are principally to review and supervise the Company's financial reporting procedure and internal control system.

The audit committee currently comprises Mr. Peng Qifa, Ms. Wang Xu and Mr. Chong Teck Sin, who are all independent non-executive directors. Chairman Peng Qifa has the requisite professional qualification and financial experience.

During the period from 1 January 2009 to the date of this report, the audit committee has held five meetings in 2009.

The audit committee has met on 6 March 2009 to review the Group's annual results, financial statements, principal accounting policies and internal audit matters for the year ended 31 December 2008, listened to the auditor's views on the Company and approved the content of the these reports.

The audit committee met on 30 April 2009 to review the Group's unaudited first quarterly report for the three months ended 31 March 2009, and approved the content of the report.

The audit committee met on 24 July 2009 to review the Group's unaudited interim report for the six months ended 30 June 2009, and approved the content of the report.

The audit committee met on 2 November 2009 to review the Group's unaudited quarterly report for the nine months ended 30 September 2009, and approved the content of the report.

The audit committee met on 12 March 2010 to review the Group's annual results, financial statements, principal accounting policies and internal audit matters for the year ended 31 December 2009, listened to the auditor's views and approved these reports.

Details of committee members' attendance records at the meeting during the period from 1 January 2009 to the date of this report are set out in the following table:

Committee Members	Number of attendance/ Number of meetings
Peng Qifa（Chairman）	5/5
Wang Xu	5/5
Chong Teck Sin	5/5

(2) Remuneration Committee

The remuneration committee currently comprises Mr. Yin Jiaxu (the chairman), Mr. James H McAdam, Ms. Wang Xu, Mr. Peng Qifa and Mr. Chong Teck Sin. The majority of the members of the remuneration committee are independent non-executive directors of the Company.

The principal responsibilities of the remuneration committee include making proposals to the Board in respect of the overall remuneration policy and compositions of the directors and senior management.

During the period from 1 January 2009 to the date of this report, the remuneration committee held three meetings.

Details of committee members' attendance records at the meeting during the period from 1 January 2009 to the date of this report are set out in the following table:

Committee Members	Number of attendance/ Number of meetings
Yin Jiaxu (Chairman)	3/3
James H McAdam	3/3
Wang Xu	3/3
Peng Qifa	3/3
Chong Teck Sin	3/3

(3) Nomination Committee

The nomination committee currently has five members, Ms. Lau Man Yee, Vanessa (the chairman), Mr. Wu Xiaohua, Ms. Wang Xu, Mr. Peng Qifa and Mr. Chong Teck Sin. The majority of the members of the nomination committee are independent non-executive directors of the Company.

The principal responsibilities of the nomination committee include reviewing the structure and composition of the Board, enhancing corporate governance within the Company and assessing the independence of the Company's independent non-executive directors. According to the laws and regulations including the Company Law of the PRC and GEM Listing Rules, the nomination committee discussed and reviewed the qualifications of the candidates of directors and supervisors of the Company and provided opinions to the Board.

During the period from 1 January 2009 to the date of this report, the nomination committee held three meetings.

Details of committee members' attendance records at the meeting during the period from 1 January 2009 to the date of this report are set out in the following table:

Committee Members	Number of attendance/ Number of meetings
Lau Man Yee, Vanessa (Chairman)	3/3
Wu Xiaohua	3/3
Wang Xu	3/3
Peng Qifa	3/3
Chong Teck Sin	3/3

Code for Securities Transactions by Directors

During the reporting period, the directors have strictly obeyed the required standards of dealings set out in Rule 5.48 to Rule 5.67 of the GEM Listing Rules (such standards was set out in the Manuual) and have taken it as the behavior standards for their dealings. After inquiry by the Company to all the directors, all the directors have confirmed that they have complied with the code of conduct.

Term of Office and Re-election

The term of office of each of the directors (including non-executive directors and independent non-executive directors) is three years. The term of all the existing directors will end upon the expiry of the second Board. The directors shall then retire, but shall be available for re-election.

Internal Control

The Board is responsible for maintaining a reliable and effective internal control system, so as to protect the Company's assets and shareholders' interests, and to review the efficiency of such system. The Board has conducted a review of its internal control system from time to time.

Relationship with Shareholders

The Board intends to encourage and maintain continued dialogues with shareholders through various channels. The Company's annual general meeting provides a good opportunity for directors to meet and communicate with shareholders. All directors shall make their best efforts to attend the annual general meeting so as to reply to enquiries of shareholders.

Investor Relations

During this reporting period, the Company invited investors to visit it for many times. The Board would like to sincerely thank all investors for their interests in the Company. The investor relations management department of the Company is the office of the Board (Email: dongshihui@camsl.com).

Auditors and the Remuneration

PricewaterhouseCoopers was the Company's international auditors (PricewaterhouseCoopers Zhong Tian Certified Public Accountants Limited Company was the Company's PRC auditor) for the year ended 31 December 2009. For the three years ended 31 December 2009, the Company didn't change auditor. The remuneration of the auditor for the year ended 31 December 2009 was set out in Note 9 of the consolidated financial statements of this report. The Company did not pay for the auditor's travelling, meals and lodging expenses and other incidental expenses during the period the audit services were provided. During the reporting period, PricewaterhouseCoopers Consultants (Shenzhen) Limited - Beijing Branch, which was a PricewaterhouseCoopers global network firm, has performed review of internal controls over financial reporting to the Company. The expenses are RMB365,000, without including lodging expenses and other reimbursed expenses.

Report of the Directors

The Board is pleased to present the annual report together with audited consolidated financial statements of the Group for the year ended 31 December 2009.

Principal Business

The Company is principally engaged in the provision of transportation of finished vehicles services, supply chain management services relating to car components and parts and transportation of non-vehicle commodities services.

Results

The results of the Group for the year ended 31 December 2009 are set out in the consolidated statement of comprehensive income of this report.

Dividend

The Board proposed to distribute final dividends of RMB0.09 per share (including tax) to the shareholders whose names appear on the register of members of the Company as at 29 June 2010.

Property, Plant and Equipment

Details of changes in the Company's property, plant and equipment during the year are set out in note 4 to the consolidated financial statements.

Subsidiaries

The registered capital of Bo Yu Transportation is RMB9,980,000 and the Company holds 100% of its equity interests. Bo Yu Transportation's main business includes commodities transportation, storage, and logistics planning and consultation services in the PRC.

Nanjing CMSC was incorporated by the Company, Sumitomo Corporation and Beijing Changjiu to provide logistics services to the customers such as Changan Ford Mazda Nanjing Plant and Changan Ford Mazda Engine Company Limited, and the Company holds 51% of its equity interests Sumitomo Corporation and Beijing Changjiu respectively hold 25% and 24% of its equity interests.

Chongqing Future, the wholely-owned subsidiary of the Company, was incorporated by the Company to provide bonded logistics services to the customers in Chongqing and the areas around. The incorporated capital is RMB30,000,000. Chongqing Future mainly engages in storage, goods, loading and unloading, handling, distribution, import & export of goods and international freight forwarding services..

Capitalized Initerests

For the year ended 31 December 2009, no interest had been capitalized.

Share Capital

For the year ended 31 December 2009, the share capital had not been changed.

Preemptive Rights

There is no provision for preemptive rights in the Company's articles of association requiring the Company to offer new shares proportionately to the existing shareholders.

Reserves

Details of changes in the Company's reserves for the year are set out in the consolidated statement of changes in equity and in note 6 of the consolidated financial statements.

Directors and Supervisors

The directors of the second board of directors and supervisors of the second supervisory committee of the Company up to the date of this report were as follows:

Executive directors

Yin Jiaxu (Chairman)	(appointed on 20 June 2008)
Cui Xiaomei	(appointed on 19 June 2009)
Lu Xiaozhong	(appointed on 20 June 2008)
Shi Chaochun	(appointed on 20 June 2008)
James H McAdam	(appointed on 20 June 2008)

Non-executive directors

Lu Guoji (Vice Chairman)	(appointed on 20 June 2008)
Zhang Lungang	(appointed on 19 June 2009)
Joseph F Lee	(appointed on 19 June 2009)
Li Ming	(appointed on 20 June 2008)
Wu Xiaohua	(appointed on 20 June 2008)
Lau Man Yee, Vanessa	(appointed on 20 June 2008)

Independent non-executive directors

Wang Xu	(appointed on 20 June 2008)
Peng Qifa	(appointed on 20 June 2008)
Chong Teck Sin	(appointed on 20 June 2008)

Supervisors

Tang Dongmei	(appointed on 19 June 2009)
Tang Yizhong	(appointed on 20 June 2008)
Wu Jun	(appointed on 20 June 2008)
Ye Guangrong	(appointed on 20 June 2008)
Chen Haihong	(appointed on 20 June 2008)

Confirmation of Independence

The Company has received the annual confirmation of each independent non-executive director pursuant to Rule 5.09 of the GEM Listing Rules. The Company thinks that the existing independent non-executive directors of the Company are independent persons.

Service Contracts of Directors and Supervisors

Each of the directors and supervisors of the Company has entered into a service contract with the Company.

There is no unexpired period of any service contract which is not determinable by the Company within one year without payment of compensation (other than statutory compensation).

Directors' Interests in Contracts

There was no significant contract to which the Company was a party and in which a director had a material interest, whether directly and indirectly, subsisted at the end of the year or at any time during the year.

Legal Proceedings

As at 31 December 2009, the Company and its subsidiaries were not involved in any material litigation or arbitration and no material litigation or claim was pending or threatened or made against the Company and its subsidiaries.

Purchase, Sale and Redemption of the Company's Listed Securities

There was no purchase, sale or redemption by the Company or any of its subsidiaries, of the Company's listed securities during the year ended 31 December 2009.

Public Float

Based on the information for public inspection and according to the directors' awareness, as at the date of this report, the Company has met the public float requirement as stipulated under the GEM Listing Rules throughout the reporting period.

Designated Deposits

As at 31 December 2009, the Company and its subsidiaries had no designated deposits in any financial institutions in the PRC or any overdue fixed deposit which could not be recovered.

Donations

During the years, the total amount of donation made by the Company and its subsidiaries was RMB33,590 (2008: RMB230,000).

Auditors

The attached consolidated financial statements of the Group have been audited by PricewaterhouseCoopers. The Company will propose a resolution in the annual general meeting to be held, for the re-appointment of PricewaterhouseCoopers as the international auditor for the year 2010, and PricewaterhouseCoopers Zhong Tian Certified Public Accountants Limited Company as the PRC auditor for the year 2010.

Compliance Adviser

The term of the compliance adviser appointed according to the GEM Listing Rules had been expired in March 2009. Please refer to the first quarterly report of the Company dated 5 May 2009 and the interim report of the Company dated 29 July 2009 for more details.

Disclosure under Chapter 17 of the GEM Listing Rules

The Directors are not aware of any circumstances that would give rise to a disclosure requirement under Rules 17.15 to 17.21 of the GEM Listing Rules.

By Order of the Board
Changan Minsheng APLL Logistics Co., Ltd.
Yin Jiaxu
Chairman

Chongqing, the PRC
19 March 2010

As at the date of this announcement, the Board comprises:

Executive directors:
Yin Jiaxu
Cui Xiaomei
Lu Xiaozhong
Shi Chaochun
James H McAdam

Non-executive directors:
Lu Guoji
Zhang Lungang
Joseph F Lee
Li Ming
Wu Xiaohua
Lau Man Yee, Vanessa

Independent non-executive directors:
Wang Xu
Peng Qifa
Chong Teck Sin

This announcement will remain on the pages of "Latest Company Announcements" on the GEM website at http://www.hkgem.com for at least 7 days from the date of its posting.

** For identification purposes*