中国软包装控股有限公司
CHINA FLEXIBLE PACKAGING HOLDINGS LIMITED

FIRST QUARTER FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 31 JANUARY 2016
截止 2016 年 1 月 31 日的第一季度财务报表及股息公告

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS
第一部分: 各季度（第一、第二及第三季度）、半年及全年业绩公告所需的资料

1(a)(i) A consolidated statement of profit or loss and other comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.
（集团）的收入报表连同上一财政年同期的对比报表。

Group's Consolidated Statement of Comprehensive Income for the period ended 31 January 2016 ("1Q 2016"). These figures have not been audited.
截至 2016 年 1 月 31 日集团收入报表。这些数目字尚未审计。

	Group 集团		
	1st quarter		
	3 months ended		
	31 January 2016	31 January 2015	+/(-)
	RMB'000	RMB'000	%
REVENUE 销售收益	**49,405**	124,723	(60.4)
Cost of sales 销售成本	**(80,935)**	(138,628)	(41.6)
GROSS LOSS 毛损	**(31,530)**	(13,905)	126.8
Other operating income 其他收益	**89**	33	169.7
Selling and distribution expenses 销售及分销成本	**(156)**	(169)	(7.7)
Administrative expenses 行政费用	**(3,313)**	(3,813)	(13.1)
Other expenses 其他费用	**(1)**	(20)	(95.0)
LOSS BEFORE TAXATION 税前亏损 (Note 1)	**(34,911)**	(17,874)	95.3
Income tax expense 税金	**-**	-	N/M
NET LOSS FOR THE PERIOD 本期间净亏损	**(34,911)**	(17,874)	95.3
Other comprehensive loss for the period (after tax and reclassification adjustments): 本期间其他全面收益：			
Exchange differences on translation of financial statements of foreign operations 换算海外业务之汇兑差异	**36**	(11)	N/M
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO OWNERS OF THE COMPANY 本期间全面亏损	**(34,875)**	(17,885)	95.0

N/M: Not meaningful 无意义

1(a)(ii) The accompanying notes to the financial statements form an integral part of the financial statements
（集团）的收入报表连同上一财政年同期的对比报表。

Note 1:

Loss before income tax
税前经营亏损

Loss before income tax for the 1st quarter ended 31 January 2016 ("1Q 2016") is arrived at after charging/(crediting) the following:

		Group 集团 1st quarter 3 months ended		
		31 January 2016 RMB'000	**31 January 2015 RMB'000**	+/(-) %
a.	Interest income 利息收入	**(15)**	(33)	54.5
b.	Sales of Scraps 廢料收入	**(71)**	-	N/M
c.	Exchange gain 汇兑溢利	**(6)**	(1)	500.0
d.	Depreciation and amortisation 折旧和摊销	**7,105**	9,090	(21.8)

N/M: Not meaningful 无意义

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.
（上市公司及集团）的资产负债表连同截至上一财政年的对比报表。

	Group 集团		Company 公司	
	As at		As at	
	31 January 2016 RMB'000	31 October 2015 RMB'000	31 January 2016 RMB'000	31 October 2015 RMB'000
NON-CURRENT ASSETS 非流动资产				
Property, plant and equipment 固定资产	**150,956**	157,706	**-**	-
Land use rights 土地使用权	**51,079**	51,434	**-**	-
Investments in subsidiaries 投资于子公司	**-**	-	**263,977**	264,298
	202,035	209,140	**263,977**	264,298
CURRENT ASSETS 流动资产				
Inventories 库存	**10,404**	15,699	**-**	-
Accounts receivable 应收帐款	**28,151**	30,744	**-**	-
Prepayments, deposits and other receivables 预付款, 定金及其他应收款	**2,626**	2,909	**-**	-
Cash and cash equivalents 现金及银行结存	**4,343**	18,729	**139**	297
	45,524	68,081	**139**	297
CURRENT LIABLILITIES 流动负债				
Accounts payable 应付帐款	**7,875**	1,750	**-**	-
Accruals and other payables 应计债务及其他应付款	**9,095**	10,007	**201**	163
	16,970	11,757	**201**	163
NET CURRENT ASSETS/ (LIABILITIES) 净流动资产 / （负债）	**28,554**	56,324	**(62)**	134
NET ASSETS 净资产	**230,589**	265,464	**263,915**	264,432
EQUITY 权益				
Equity attributable to owners of the Company 权益归于公司拥有人				
Share capital 已发行股本	**598,197**	598,197	**598,197**	598,197
Reserves 储备金	**(367,608)**	(332,733)	**(334,282)**	(333,765)
TOTAL EQUITY 权益总额	**230,589**	265,464	**263,915**	264,432

1(b)(ii) Aggregate amount of group's borrowings and debt securities.
集团借贷及抵押债务的总额

Amount repayable in one year or less, or on demand
一年或以内应该偿还或见索即付的款额

As at 31 January 2016 截至 2016 年 1 月 31 日		As at 31 October 2015 截至 2015 年 10 月 31 日	
Secured 有抵押	Unsecured 无抵押	Secured 有抵押	Unsecured 无抵押
RMB'000	RMB'000	RMB'000	RMB'000
-	-	-	-

Amount repayable after one year
一年后应偿还的款额

As at 31 January 2016 截至 2016 年 1 月 31 日		As at 31 October 2015 截至截至 2015 年 10 月 31 日	
Secured 有抵押	Unsecured 无抵押	Secured 有抵押	Unsecured 无抵押
RMB'000	RMB'000	RMB'000	RMB'000
-	-	-	-

Details of any collateral
抵押品（若有）的详情

Not applicable.
不适用。

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.
（集团）的现金流量表连同上一财政年同期的对比报表。

	Group 集团 1st quarter 3 months ended	
	31 January 2016 RMB'000	**31 January 2015 RMB'000**
Cash flows from operating activities 营业活动所得现金流量		
Loss profit before taxation 税前亏损	**(34,911)**	(17,874)
Adjustments for: 调整下列各项:		
Depreciation of property, plant and equipment 物业, 厂房及机器折旧	**6,750**	8,833
Amortisation of land use rights 土地使用权摊销	**355**	257
Interest income 利息收入	**(15)**	(33)
Operating loss before working capital changes 营运资金变更前营业现金流量	**(27,821)**	(8,817)
Changes in 营运资金变动:		
Inventories 库存	**5,295**	(30,164)
Accounts receivable 应收帐款	**2,593**	71,619
Prepayments, deposits and other receivables 预付款，预付订金及其他应收款	**283**	(381)
Accounts payable 应付帐款	**6,125**	-
Accruals and other payables 应计债务及其他应付款	**(912)**	(3,081)
Cash (used in)/generated from operating activities 营业活动所(用)/得现金	**(14,437)**	29,176
Tax paid 已付税金	**-**	-
Interest received 已收利息	**15**	33
Net cash (used in)/generated from operating activities 营业活动所(用)/得净现金流量	**(14,422)**	29,209
Net (decrease)/increase in cash and cash equivalents 现金及现金等值净(减少)/增加	**(14,422)**	29,209
Cash and cash equivalents at beginning of period 期初现金及现金等值	**18,729**	28,716
Effect of foreign exchange rate changes 汇率变动的影响	**36**	(11)
Cash and cash equivalents at end of period 期末现金及现金等值	**4,343**	57,914

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.
显示（上市公司及集团）（i）股权的所有变更的报表或（ii）资本化发行及股东分配产生的股权变更除外的股权变更的报表，连同上一财政年同期的对比报表

	Issued share capital 已发行股本	Share premium account 股票溢价	Share redemption reserve 赎回储备	Capital reserve 资本储备	Foreign currency translation reserve 汇兑储备	Statutory reserve 法定储备	Other reserve 其他储备	Accumulated losses 损益账户	Total equity 总计
The Group 集团	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Balance as at 1 November 2015 于 2015 年 11 月 1 日结存	598,197	304,361	62	-	3,482	86,527	36,630	(763,795)	**265,464**
Total comprehensive income for the year 年度綜合收益:									
Loss for the year 年度亏损	-	-	-	-	-	-	-	(34,911)	**(34,911)**
Other comprehensive income for the year: 年度其他綜合收益:									
Exchange differences on translation of financial statements of foreign operation 換算海外业务之汇兑差异	-	-	-	-	36	-	-	-	**36**
Total comprehensive loss for the year 年度綜合亏损:	-	-	-	-	36	-	-	(34,911)	**(34,875)**
Balance as at 31 January 2016 于 2016 年 1 月 31 日结存	**598,197**	**304,361**	**62**	**-**	**3,518**	**86,527**	**36,630**	**(798,706)**	**230,589**

	Issued share capital 已发行股本	Share premium account 股票溢价	Share redemption reserve 赎回储备	Capital reserve 资本储备	Foreign currency translation reserve 汇兑储备	Statutory reserve 法定储备	Other reserve 其他储备	Retained earnings/ (accumulated losses) 损益账户	Total equity 总计
The Group 集团	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Balance as at 1 November 2014 于 2014 年 11 月 1 日结存	598,238	304,382	-	-	3,461	86,527	36,630	(581,515)	**447,723**
Total comprehensive income for the year 年度綜合收益:									
Profit for the year 年度利润	-	-	-	-	-	-	-	(17,874)	**(17,874)**
Other comprehensive income for the year: 年度其他綜合收益:									
Exchange differences on translation of financial statements of foreign operation 換算海外业务之汇兑差异	-	-	-	-	(11)	-	-	-	**(11)**
Total comprehensive income for the year 年度綜合收益:	-	-	-	-	(11)	-	-	(17,874)	**(17,885)**
Balance as at 31 January 2015 于 2015 年 1 月 31 日结存	**598,238**	**304,382**	**-**	**-**	**3,450**	**86,527**	**36,630**	**(599,389)**	**429,838**

	Issued share capital 已发行股本	Share premium account 股票溢价	Share redemption reserve 赎回储备	Capital reserve 资本储备	Foreign currency translation reserve 汇兑储备	Statutory reserve 法定储备	Other reserve 其他储备	Accumulated losses 损益账户	Total equity 总计
The Company 公司	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Balance as at 1 November 2015 于 2015 年 11 月 1 日结存	598,197	304,361	62	99,175	-	-	36,630	(773,993)	**264,432**
Loss and total comprehensive loss for the year 亏损及年度綜合亏损	-	-	-	-	-	-	-	(517)	**(517)**
Balance as at 31 January 2016 于 2016 年 1 月 31 日结存	**598,197**	**304,361**	**62**	**99,175**	**-**	**-**	**36,630**	**(774,510)**	**263,915**

	Issued share capital 已发行股本	Share premium account 股票溢价	Share redemption reserve 赎回储备	Capital reserve 资本储备	Foreign currency translation reserve 汇兑储备	Statutory reserve 法定储备	Other reserve 其他储备	Accumulated losses 损益账户	Total equity 总计
The Company 公司	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**	**RMB'000**
Balance as at 1 November 2014 于 2014 年 11 月 1 日结存	598,238	304,382	-	99,175	-	-	36,630	(739,952)	**298,473**
Loss and total comprehensive loss for the year 亏损及年度綜合收益:	-	-	-	-	-	-	-	(496)	**(496)**
Balance as at 31 January 2015 于 2015 年 1 月 31 日结存	**598,238**	**304,382**	**-**	**99,175**	**-**	**-**	**36,630**	**(740,448)**	**297,977**

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

自上一个财政期，公司股本因附加股、红股、股份购回、行使认股选择权或认股权证、其他权益发行兑换、发行股票以取得现金或收购对价或为任何其他目的而发行股票而产生的任何变更的详情。亦须注明截至本财政期末及截至上一财政年同期可能就兑换所有结存的可换证券而发行的股票数目。

There was no change in the Company's issued share capital during the period ended 31 January 2016.

Changes in Company's share capital arising from the Capital Reorganisation
从建议资本重组所产生的公司股本变化

Subsequently, with the passing of a special resolution in respect of the Proposed Capital Reorganisation (as detailed in the circular of the Company dated 29 January 2016 issued by the Company to its shareholders) at the Special General Meeting of the Company held on 23 February 2016, the capital reorganisation (the "Capital Reorganisation") will take effect on 18 March 2016 with the effects on the Company's share capital as below;

	Before Capital Reorganisation	**After Capital Reorganisation**
Par Value of Authorised Share Capital		
Number of Shares	20,000,000	30,000,000,000
Par Value (US$)	15.00	0.01
Total (US$)	300,000,000	300,000,000
Par Value of Issued and Paid-up Capital		
Number of Shares	4,860,956	4,860,956
Par Value (US$)	15.00	0.01
Total (US$)	72,914,340.00	48,609.56

Upon the Capital Reorganisation taking effect on the effective date of 18 March 2016, (i) the par value of each issued and unissued share will be reduced from US$15.00 to US$0.01; (ii) the number of authorised share capital of the Company will be increased from 20,000,000 with a par value of US$15.00 each, to 300,000,000 with a par value of US$0.01 each, by the creation of such number of Shares with a par value of US$0.01 each; and (iii) the par value of the issued and paid-up share capital of the Company will be reduced from US$72,914,340.00 to US$48,609.56 (equivalent to a reduction from approximately RMB598,197,000 to RMB399,000 based on a historical foreign currency exchange rate at the date the shares were issued of US$1:RMB8.20).

There will be no change in the number of Shares held by Shareholders immediately after the Capital Reorganisation.

All capitalized terms above shall bear the same meaning as used in the Circular.

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

The company does not have any treasury shares. Total number of issued shares as at 31 January 2016 was 4,860,956 (31 October 2015: 4,860,956)

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

Not applicable. 不适用。

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.
有关数目字是否经审计或审阅，且按何种审计标准或惯例审计或审阅。

The figures have not been audited or reviewed by the Company's auditors.
公司的审计师尚未审计或审阅有关数字。

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).
若有关数目字经审计或审阅，须附上审计师报告（包括对任何特定事项的澄清或强调）。

Not applicable. 不适用。

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.
是否应用上市公司最新经审计的年度财务报表的相同会计政策及计算方法。

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with those of the audited financial statements for the financial year ended 31 October 2015.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.
若会计政策及计算方法出现任何变更，包括会计标准所规定的任何变更，须列出有关的变更、变更的原因及变更所产生的影响。

The Group has adopted the applicable new and revised International Financial Reporting Standards ("IFRSs") which became effective for the financial period beginning on or after 1 November 2015. For the current reporting period ended 31 January 2016, the adoption of these new and revised IFRSs did not give rise to significant impact on the Group's financial statements.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.
集团在本财政期间及上一财政年同期每股普通股的收益（扣除优先股息的准备金）。

	1st quarter 3 months ended 31 January 2016	31 January 2015 (Adjusted)
Loss per ordinary share for the period based on net loss attributable to owners of the Company:- 集团本期间的每股普通股的亏损按照可归于股东的净亏损:-		
(i) Based on the weighted average number of ordinary shares on issue (RMB); and 根据已发行普通股本的加权平均数 (人民币); 及	**(7.17)**	(3.68)
(ii) On a fully diluted basis (RMB) 根据完全摊薄机准 (人民币)	**N/A**	N/A

Weighted average number of shares 加权平均股份數目	**4,860,956**	4,860,956

On 14 August 2015, the Company completed a share consolidation of every one hundred (100) ordinary shares of par value US$0.15 each in the capital of the Company into one (1) ordinary share of par value US$15.00 ("Consolidated Share") ("Share Consolidation"). For illustrative purpose, adjusted basic loss per share for the comparative figures of the three months period ended 31 January 2015 are presented to account for the effect of the Share Consolidation. In this presentation, the weighted average number of ordinary shares is reduced by the number of shares that were absorbed into the Consolidated Shares as if the transaction took place at the start of the comparative periods.

Basic loss per share for 1Q 2016 is calculated based on the net loss attributable to owners of the Company for the period of approximately RMB34,875,000 (1Q 2015: RMB17,885,000) divided by 4,860,956 ordinary shares of US$0.15 each (1Q 2015: 4,860,956 ordinary shares of US$0.15 each) in issue during the period.

There were no potential dilutive ordinary shares in existence during the 1st quarter ended 31 January 2016 and 2015, accordingly no diluted earnings per share has been presented.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:

(a) current financial period reported on; and
(b) immediately preceding financial year.

（上市公司及集团）的每股普通股净资产值，按上市公司在下列财政期末已发行股本计算：-
(a) 本财政期；及
(b) 上一财政年。

	Group 集团		Company 公司	
	As at		As at	
	31 January 2016	31 October 2015	31 January 2016	31 October 2015
Net assets value per ordinary share (RMB) 每股普通股的净资产值(人民币)	**47.44**	54.61	**54.29**	54.40

The net assets value per ordinary share of the Group and the Company were calculated based on the equity attributable to the owners of the Company of approximately RMB230,589,000 (year ended 31 October 2015: RMB265,464,000) and RMB263,915,000 (year ended 31 October 2015: RMB264,432,000) respectively as at 31 January 2016; and 4,860,956 (year ended 31 October 2015: 4,860,956) ordinary shares of the Company in issue as at 31 January 2016.

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

回顾集团业绩以取得对集团的业务合理的理解。有关回顾须包括下列各项的讨论：-
(a) 本财政期间影响集团的营业额、成本及收益的任何显著因素，包括季节性或周期性因素（若适用）；及
(b) 本财政期间影响集团的现金流量、营运资金、资产或债务的任何重大因素。

Review on Group's performance

The Group's Consolidated Statement of Profit or Loss and Other Comprehensive Income

The Group's revenue

The Group's revenue decreased by 60.4% or RMB75.3 million from RMB124.7 million for the period ended 31 January 2015 ("1Q 2015") to RMB49.4 million in 1Q 2016. The decrease was mainly contributed by the (i) significant drop in average selling price of the Group's major product low shrinkage films because of lower market demand, keener competition and the presence of sub-standard products which were sold at a lower price; and (ii) drop in sales volume caused by production disruptions in the Group's production line no.3 in 1Q 2016 due mainly to production performance issues.

The Group's gross loss and operating loss before Tax

The cost of sales decreased from RMB138.6 million in 1Q 2015 to RMB80.9 million in 1Q 2016, representing a decrease of 41.6% or RMB57.7 million. It was due largely to the (i) decrease in raw material cost, depreciation and amortisation charges of non-current assets in 1Q 2016; and (ii) decrease in production volume as a result of the drop in sales quantity and production disruptions in the production line no.3.

The Group recorded a gross loss of RMB31.5 million in 1Q 2016 compared with RMB13.9 million in 1Q 2015, with an increase of 126.8% of RMB17.6 million. The increase was mainly attributable to the (i) the cost of sales including direct material cost, direct labour costs and overheads dropped at a much slower pace than the fall in selling price which was largely affected by the weaker market demand, and; (ii) unexpected increase in sub-standard product and rejection rate mainly in production line no.3 compared with the last corresponding period, which had put a burden on the margins.

The Group targets to earn a positive gross margin from its customers at the point of sale. However, due to production issues affecting the quality of the products sold coupled with the dropping market selling price, some of these customer sales resulted in a negative gross margin. Furthermore, the Group may also be required to adjust its pricing due to past quality issues in order to maintain continued current relationships with its customers in the face of keen competition.

Other revenue of RMB0.09 million in 1Q 2016 (1Q 2015: RMB0.03 million) mainly comprised of sales of scraps materials and interest income arising from bank deposits.

Selling and distribution costs decreased by 7.7% over the last year to RMB0.16 million in 1Q 2016 (1Q 2015: RMB0.17 million), mainly due to the significant drop in travelling expenses.

Administrative expenses recorded a decrease of 13.1% over the last reporting period to RMB3.3 million (1Q 2015: RMB3.8 million) due mainly to the decrease in other office expenses and depreciation charges of non-current assets in the administrative department.

The Group's net profit from ordinary activities attributable to owners of the Company

The Group recorded a net loss of RMB34.9 million in 1Q 2016, with an increase of 95.3% compared with a net loss of RMB17.9 million in 1Q 2015.

Review on consolidated statement of financial position and statement of cash flows

Group's Consolidated Statement of Financial Position

Non-current assets comprises of land use rights, property, plant and equipment reduced by 3.4% or RMB7.1 million from RMB209.1 million as at 31 October 2015 to RMB202.0 million as at 31 January 2016. This was mainly due to the amortisation and depreciation charges incurred whilst no additions to non-current assets.

Current assets of the Group decreased by 33.1% or RMB22.6 million from RMB68.1 million as at 31 October 2015 to RMB45.5 million as at 31 January 2016. It was mainly due to the decrease in cash and bank balance to RMB4.3 million as at 31 January 2016, by 76.8% or RMB14.4 million from RMB18.7 million as at 31 October 2015 ascribed to the operating loss during the period under review. Besides, the Group's inventories reduced by RMB5.3 million to RMB10.4 million as at 31 January 2016, which was mainly due to lower purchases in January 2016 in response to the downward sales trend. Accounts receivable also decreased from RMB30.7 million as at 31 October 2015 to RMB28.2 million as at 31 January 2016, representing a decline of 8.4% or RMB2.5 million, which was in line with the drop in the sales in 1Q 2016.

Current liabilities of the Group increased by 44.3% or RMB5.2 million to RMB17.0 million as at 31 January 2016, largely attributable to the increase in accounts payable from RMB1.8 million as at 31 October 2015 to RMB7.9 million as at 31 January 2016. The Group had discussed with key suppliers to lengthen the payable period to improve the Group's liquidity position. Accruals and other payables dropped by 9.1% or RMB0.9 million to RMB0.1 million as at 31 January 2016, due to lower advance payments from customers at the current period end compared with the last financial year end.

Group's Consolidated Statement of Cash Flows

In 1Q 2016, the net cash outflow in operating activities of the Group amounted to RMB14.4 million as compared with the net cash inflow of RMB29.2 million in the last corresponding period of 2015. The net cash outflow was mainly attributable to the operating loss before working capital changes of RMB27.8 million. The cash outflow was partially offset by the cash generated from the realisation in inventories, collection in accounts receivable and increase in accounts payable.

The cash and cash equivalent balance has decreased from RMB18.7 million as at 31 October 2015 to RMB4.3 million as at 31 January 2016.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.
就先前向股东披露的预测或前景声明而言，前述与实际业绩的任何出入。

As disclosed in the Full Year Financial Results Announcement dated 30 December 2015, the Group's performance for the current financial period ending 31 January 2016 was expected to report a loss and the Group's actual performance for the 1Q 2016 was in line with the statement (Paragraph 10) of the Company's announcement dated 30 December 2015.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.
截至公告日期，集团所处行业的显著趋势及竞争情况以及可能影响集团在下个报告期及未来 12 个月的任何已知因素或事项的有关评论。

The Group's performance continues to be affected by: (i) increasing price pressures due to continuing intense market competition in China's manufacturing sector; and (ii) weakening local demand and difficulty in sourcing sales orders in high margin product segment.

In particular, the Group's performance is highly dependent on the sales of high margin products, but the demand in this segment remains weak. Furthermore, the Group has also been suffering from persistent substandard product issue. The Group is expected to report an operating loss in the next reporting period.

In view of the Group's continuing negative cash flows from operating activities and tightening liquidity condition, the Board is actively assessing the availability of debt and equity financing options.

11. Dividend
股息

(a) Current Financial Period Reported On
本财政期

Any dividend declared for the current financial period reported on?
本财政期是否宣布派发任何股息？

None 无

(b) Corresponding Period of the Immediately Preceding Financial Year
上一财政年同期

Any dividend declared for the corresponding period of the immediately preceding financial year?
上一财政年同期是否宣布派发任何股息？

None 无

(c) Date payable
支付日期

Not applicable. 不适用

(d) Books closure date
截止过户日期

Not applicable. 不适用

12. If no dividend has been declared/recommended, a statement to that effect.
若不宣布／建议派发股息，须作出有关声明。

Not Applicable. 不适用

13. Interested person transactions
关连人仕交易

The Company does not have any general mandate from shareholders for interested person transaction. No interested person transactions were entered into during the year under review.
本上市公司没有任何关联人仕交易的股东授权. 在此财政期间，没有关连人仕交易.

14. Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual of the SGX-ST.
根据新加坡证券交易所有限公司上市参考手册第 705 条附例(5)要求董事确认事项

The Board of Directors of the Company hereby confirm that, to the best of its knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited first quarter financial results of the Group as at 31 January 2016 to be false or misleading.

董事局在此确认我们已根据其所知情的所有资料，没有任何事情导致上市公司董事局需要特别的留意那些会引起第一季度财务报告截止 2016 年 1 月 31 日出现虚假或误导.

BY ORDER OF THE BOARD
奉董事会之命

Zeng Hanming
Chairman of the Board
15 March 2016