



CHINA SPORTS INTERNATIONAL LIMITED

Incorporated in Bermuda

(Company Registration: 39798)

**RESPONSE TO SGX QUERIES ON ANNOUNCEMENT OF RESULTS
FOR FINANCIAL PERIOD ENDED 31 MARCH 2015**

In response to the queries raised by the Singapore Exchange Limited (“SGX”) in its email in connection with our announcement of unaudited results for the first quarter ended 31 March 2015 (the “Results Announcement”), we wish to provide additional information as follows. Page references in this announcement are references to the relevant page in the Results Announcement. Terms defined in the Results Announcement shall bear the same meaning in this announcement.

SGX’s Query 1:

We note that ‘Trade receivables’ has increased by 23.4% from RMB 429.904 million to RMB 530.405 million. Please provide the following information:-

- (a) *Details of major debtors;*
- (b) *Provide breakdown for period above 90 days by further periods (e.g. 90 days – 180 days; 180 days – 270 days; 1-2 years; 2-3 years etc).*
- (c) *For the above periods of days/years, how much is related to the breathable shoes where royalty fees will be paid to interested person and whether the corresponding royalty fees has been paid even though the Company has not received payments from their customers.*

Company’s Response:

1. We set out below details of trade receivables from the major debtors for 1Q2015. For purposes of this response, the Company has deemed debtors which outstanding trade receivables as at the end of 1Q2015 are more than 5% of the total trade receivables as at the end of 1Q2015 as being “major” debtors.

No.	Name*	Amount (million RMB)	%
1	昆明砾航贸易有限公司 Kunming Shuohang Trading Co., Ltd.	34.272	6.46%
2	西安铮锋体育用品有限公司 Xi’an Zhengfeng Sporting Goods Co., Ltd.	32.274	6.08%
3	沈阳菲仕杰商贸有限公司 Shenyang Feishijie Trading Co., Ltd.	30.656	5.78%
4	广州新行派体育用品有限公司 Guangzhou Xinhangpai Sporting Goods Co., Ltd.	28.649	5.40%
5	Others [#]	404.554	76.27%
	Total	530.405	100.00%**

No.	Name*	Amount (million RMB)	%
Notes:			
*	The English names set out above are transliteration of the Chinese names; and may not be the legal names of the respective customers.		
**	Any discrepancy between the amounts listed and the totals is due to rounding, Accordingly, the total may not be an arithmetic aggregation of the figures which precede them.		
#	These comprise more than 100 customers.		

2. Breakdown of trade receivable over 90 days

	RMB millions
90 to 180 days	219.4
181 to 270 days	122.6
271 to 365 days	87.9
More than one year to 2 years	Nil
More than 2 years to 3 years	Nil
Total	429.9

3. Approximately 75% of the trade receivables relate to breathable shoes where royalty fees will be paid. The Group has yet to make any payment of the royalty fees.

SGX's Query 2:

We note the usage of placement proceeds of RMB 27.9 million for the 'Development of online shopping platform'. Please provide details of this 'Development of online shopping platform' and the performance of this [sic].

Company's Response:

"Development of online shopping platform" included production of the advertisements and promotions and setup for internet sales over the various e-commerce platforms including T-mall, Tao Bao, shop.qq.com.

The revenue generated from the various shopping platforms for 1Q2015 was less than 5% of total revenue. However, we have to continue to develop our e-commerce platforms as increasingly consumers shop using these platforms.

**BY ORDER OF THE BOARD
LIN SHAOXIONG**

CHIEF EXECUTIVE OFFICER

4 June 2015