

PROFIT GUIDANCE FOR THE YEAR ENDED 31 DECEMBER 2014
截至 2014 年 12 月 31 日之財政年度利潤預期

The Board of Directors (the **“Board”**) of Hu An Cable Holdings Ltd. (the **“Company”**, and together with its subsidiaries, the **“Group”**) wishes to announce that the Group expects to report a loss for the financial year ended 31 December 2014 (**“FY2014”**) as compared to a profit for the financial year ended 31 December 2013.

滬安電力控股有限公司(簡稱**“公司”**與其子公司統稱**“集團”**)董事會(**“董事會”**)有意公告, 相較於截至2013年12月31日的財政年度之盈利而言, 集團預計其在截至2014年12月31日的財政年度(**“2014財年”**)虧損。

China's economic reforms have posed an unprecedented challenge to our business environment. Following the shift from an investment-driven growth model to a consumption-based growth model, the Chinese banks have tightened financing facilities for capital-intensive sectors, including the cable and wire industry. In addition, the Chinese government has launched various initiatives to streamline and tighten the operations of state-owned enterprises, including power grids, since the beginning of 2014. All these factors have caused the deferment of government-led projects and prolonged payment cycles.

中國的經濟轉型給集團的經營環境帶來了前所未有的挑戰。由於經濟模式由投資驅動增長型轉變為基於消費的增長模式, 中國的銀行收緊了對於資本密集行業包括電纜與電線行業的貸款政策。此外中國政府自2014年年初實行了各項措施加強對國有企業的監管, 包括電網。所有上述因素導致了政府主導的項目延期以及付款週期的延長。

The loss was mainly attributed to:

虧損主要系因:

- a decrease in gross profit as a result of lower sales volume of all products, including cable and wire products, copper rods, aluminum rods and plastic materials, and lower selling prices corresponding to the fall in copper prices;
由於所有產品的銷量減少, 包括電纜與電線產品、銅桿、鋁桿及塑膠材料, 以及銅價下跌導致較低的銷售價格而致使毛利減少;
- impairment loss on doubtful trade receivables due to slow debt collection;
由於債務回收緩慢造成應收賬款壞賬減值損失;
- impairment loss on machinery and equipment due to suspension of the production lines for copper rods and aluminum rods as a result of unviable low margins and intense market competition; and
由於較低的利潤及激烈的市場競爭, 集團已暫停銅桿及鋁桿的生產線, 導致機器與設備的減值損失; 及
- impairment of inventories due to the decrease in the prices of copper and aluminum (which are the main constituent raw material).
銅鋁(主要原材料)價格下跌導致存貨減值。

This profit guidance is based on a preliminary review of the unaudited financial results of the Group. Further details of the Group's performance will be released when the Company announces its unaudited financial results for FY2014, on or before 28 March 2015.

這項利潤預期是依據集團未審計財務報表之初審。集團將在 2015 年 3 月 28 日或之前公告其 2014 財年之未審計財務報表, 屆時將發佈集團績效詳細報告。

In the meantime, the Board wishes to advise shareholders of the Company and investors to exercise caution when dealing in the shares of the Company.
在此期間，董事會建議公司股東和投資者謹慎交易公司股票。

BY ORDER OF THE BOARD
經董事會授權公佈

Dai Zhi Xiang
戴志祥
CEO and Executive Chairman
首席執行官兼董事會執行主席

23 March 2015
2015 年 3 月 23 日