

**CHINA HONGCHENG HOLDINGS LIMITED 中国宏诚控股有限公司**  
(Incorporated in Bermuda on 25 January 2007)  
(Co. Reg. No: 39504)

**FIRST QUARTER FINANCIAL STATEMENT ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2015**

截至 2015 年 9 月 30 日三个月的第一季度财务报表公告

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

第一部分- 季度 (Q1, Q2 和 Q3), 半年和全年业绩公告所需资料

- 1(a) An income statement (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度报表

Group Statement of Comprehensive Income for the three months ended 30 September 2015.  
These figures have not been audited.

截至 2015 年 9 月 30 日三个月集团综合收入报表。这些数字尚未经审计。

	<b>Group 集团</b>		
	<b>3 months ended 30 Sep 2015 截至 201 年 9 月 30 日三个月 RMB'000 Unaudited 未经审计</b>	<b>3 months ended 30 Sep 2014 截至 2014 年 9 月 30 日三个月 RMB'000 Unaudited 未经审计</b>	<b>Increase/ (Decrease) 增减 %</b>
<b>Revenue 销售收入</b>	45,958	99,586	(53.9)
<b>Cost of sales 销售成本</b>	(44,207)	(103,207)	(57.2)
<b>Gross profits/(loss) 毛利/(亏损)</b>	1,751	(3,621)	(148.4)
Other income 其他收入	1,796	3,252	(44.8)
Selling and distribution expenses 销售费用	(1,171)	(881)	32.9
Administrative expenses 管理费用	(5,576)	(5,728)	(2.7)
Other expenses 其他费用	(91)	(88)	3.4
Finance costs 财务成本	(8,609)	(10,560)	(18.5)
<b>Loss before income tax 税前亏损</b>	(11,900)	(17,626)	(32.5)
Income tax expenses 所得税开支	-	-	-
<b>Loss for the period attributable to the owners of the Company 本期公司拥有人的亏损</b>	(11,900)	(17,626)	(32.5)
<b>Other comprehensive income 其他综合收入</b>	-	-	-
<b>Total comprehensive loss for the period attributable to the owners of the Company 本期公司拥有人总综合亏损</b>	(11,900)	(17,626)	(32.5)

**Note:**

Loss before income tax is arrived at after charging/(crediting):  
税前亏损已计入以下项目:

	<u>集团 Group</u>	
	3 months ended 30 Sep 2015 截至 2015 年 9 月 30 日三个月 RMB'000 Unaudited 未经审计	3 months ended 30 Sep 2014 截至 2014 年 9 月 30 日三个月 RMB'000 Unaudited 未经审计
Interest income 利息收入	(1,796)	(3,236)
Interest expenses on 利息支出:		
- Bank loans wholly repayable within five years 五年内应付清之银行贷款	8,609	10,560
Depreciation 折旧	11,281	11,332
Amortisation of land use rights 土地使用权摊销	35	35
Minimum lease payments under operating leases for property, plant and equipment and land use rights 厂房设备和土地使用权租赁合同下最低付款额	24	23

1. Depreciation expenses of approximately RMB10,839,000 had been charged to cost of sales in the Group Statement of Comprehensive Income for the 3 months ended 30 September 2015 (3 months ended 30 September 2014: approximately RMB10,897,000). Depreciation expenses of approximately RMB442,000 had been charged to administrative expenses in the Group Statement of Comprehensive Income for the 3 months ended 30 September 2015 (3 months ended 30 September 2014: approximately RMB435,000).  
约人民币一千零八十三万九千元的折旧费已被计在截至 2015 年 9 月 30 日三个月的综合收入报表内的销售成本里(截至 2014 年 9 月 30 日三个月: 约人民币一千零八十九万七千元)。约人民币四十四万二千元的折旧费已被计在截至 2015 年 9 月 30 日三个月的综合收入报表内的管理费用里(截至 2014 年 9 月 30 日三个月: 约人民币四十三万五千元)。
2. Amortisation of land use rights of approximately RMB35,000 had been charged to cost of sales in the Group Statement of Comprehensive Income for the 3 months ended 30 September 2015 (3 months ended 30 September 2014: approximately RMB35,000).  
约人民币三万五千元的土地使用权摊销已被计在截至 2015 年 9 月 30 日三个月的综合收入报表内的销售成本里(截至 2014 年 9 月 30 日三个月: 约人民币三万五千元)。

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

	<b>Group 集团</b>		<b>Company 本公司</b>	
	<b>30 Sep 2015 2015 年 9 月 30 日 RMB'000 Unaudited 未经审计</b>	<b>30 Jun 2015 2015 年 6 月 30 日 RMB'000 Audited 已经审计</b>	<b>30 Sep 2015 2015 年 9 月 30 日 RMB'000 Unaudited 未经审计</b>	<b>30 Jun 2015 2015 年 6 月 30 日 RMB'000 Audited 已经审计</b>
<b>ASSETS 资产</b>				
<b>Non-current assets 非流动资产</b>				
Property, plant and equipment 物业、厂房和设备	469,516	480,797	-	-
Land use rights 土地使用权	5,267	5,302	-	-
Investments in subsidiaries 集团子公司投资	-	-	-	-
	<b>474,783</b>	<b>486,099</b>	<b>-</b>	<b>-</b>
<b>Current assets 流动资产</b>				
Inventories 库存	69,593	59,446	-	-
Trade and bills receivables 应收帐款及票据	34,183	35,487	-	-
Prepayments, other receivables and deposits 预付款、其他应收款及预付订金	32,223	37,637	-	-
Due from subsidiaries 集团子公司往来	-	-	-	-
Pledged deposits 抵押存款	251,126	305,902	-	-
Cash and cash equivalents 现金和现金等值物	26,882	25,522	-	-
	<b>414,007</b>	<b>463,994</b>	<b>-</b>	<b>-</b>
<b>TOTAL ASSETS 总资产</b>	<b>888,790</b>	<b>950,093</b>	<b>-</b>	<b>-</b>
<b>EQUITY AND LIABILITIES 权益和负债</b>				
<b>Equity attributable to owners of the Company 公司权益持有人所属权益</b>				
Share capital 股本	78,438	78,438	78,438	78,438
Reserves 储备	(181,036)	(169,136)	(95,743)	(94,422)
<b>Total equity 股东权益</b>	<b>(102,598)</b>	<b>(90,698)</b>	<b>(17,305)</b>	<b>(15,984)</b>
<b>Non-current liabilities 非流动负债</b>				
Government grant 政府补贴	1,066	1,122	-	-
	<b>1,066</b>	<b>1,347</b>	<b>-</b>	<b>-</b>
<b>Current liabilities 流动负债</b>				
Trade payables 应付帐款	5,001	7,286	-	-
Accrued liabilities, other payables and deposits received 计提负债、其他应付款及预收订金	99,314	107,060	17,305	15,984
Due to subsidiaries 集团子公司往来	-	-	-	-
Government grant 政府补贴	225	225	-	-
Bank borrowings 银行贷款 <sup>1</sup>	874,704	914,000	-	-
Tax payable 应付税金	11,078	11,098	-	-
	<b>990,322</b>	<b>1,039,669</b>	<b>-</b>	<b>15,984</b>
<b>Total liabilities 总负债</b>	<b>991,388</b>	<b>1,040,791</b>	<b>-</b>	<b>15,984</b>
<b>TOTAL EQUITY AND LIABILITIES 权益及负债总额</b>	<b>888,790</b>	<b>950,093</b>	<b>-</b>	<b>-</b>

1. The Group's bank borrowings as at 30 September 2015 included other bank borrowings in the form of bills payables of RMB409,000,000 (30 June 2015: RMB481,000,000), which were interest-free and secured by the pledge of certain of the Group's bank deposits and guaranteed by certain independent third parties. These bills payables have maturity period of up to 6 to 12 months(FY2015: 6 to 12 months).

集团的银行贷款包括由独立第三方提供担保和以集团的存款作抵押的应付票据人民币四亿零九百万元(2015年6月30日:人民币四亿八千一百万元),还款期是6至12个月,不计利息。

**1(b)(ii) Aggregate amount of group's borrowings and debt securities. 集团贷款及抵押债务总额**

**Amount repayable in one year or less, or on demand 一年内应偿还或见索即付款额**

As at 30 Sep 2015 于 2015 年 9 月 30 日 As at 30 Jun 2015 于 2015 年 6 月 30 日

Secured 有抵押 RMB'000	Unsecured 无抵押 RMB'000	Secured 有抵押 RMB'000	Unsecured 无抵押 RMB'000
874,704	-	914,000	-

**Amount repayable after one year 一年后应偿还款额**

As at 30 Sep 2015 于 2015 年 9 月 30 日 As at 30 Jun 2015 于 2015 年 6 月 30 日

Secured 有抵押 RMB'000	Unsecured 无抵押 RMB'000	Secured 有抵押 RMB'000	Unsecured 无抵押 RMB'000
-	-	-	-

**Details of any collateral**

**抵押品的详情**

The Group's bank borrowings as at 30 September 2015 included RMB30,000,000 (30 June 2015: RMB30,000,000) which were secured by a pledge of certain of the Group's property, plant and equipment and land use rights, RMB235,704,000 (30 June 2015: RMB203,000,000) which were guaranteed by independent third parties and a related company, Hongcheng Company and RMB200,000,000 (30 June 2015: RMB200,000,000) which were secured by a pledge of certain of the Group's property, plant and equipment and bank deposits which were guaranteed by independent third parties, with interests ranging from 5.50% to 8.40% per annum as at 30 September 2015 (FY2015: ranging from 5.1% to 10.2% per annum).

集团的银行贷款包括以集团的厂房设备和土地作抵押的银行借款人民币三千万元(2015年6月30日:人民币三千万元)、由独立第三方和宏诚集团提供担保的银行借款人民币二亿三千五百七十四万元(2015年6月30日:人民币二亿零三百万元)及以集团的厂房设备、土地和存款作抵押和由独立第三方提供担保的银行借款人民币二亿万元(2015年6月30日:人民币二亿元)。于2015年9月30日这些贷款年利率由每年5.6%至8.2%不等(FY2015:由5.1%至10.2%不等)。

1(c) A cash flow statement (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。

Statement of cash flows for the three months ended 30 September 2015

截至 2015 年 9 月 30 日三个月的现金流量表

	Group 集团	
	3 months ended 30 Sep 2015 截至 2015 年 9 月 30 日 三个月 RMB'000 Unaudited 未经审计	3 months ended 30 Sep 2014 截至 2014 年 9 月 30 日 三个月 RMB'000 Unaudited 未经审计
<b>Cash flows from operating activities 营运所得现金流量</b>		
Loss before income tax 税前亏损	(11,900)	(17,626)
Adjustments for 调整以下各项:		
Interest income 利息收入	(1,796)	(3,236)
Interest expenses 利息支出	8,609	10,560
Depreciation 折旧	11,281	11,332
Amortisation of land use rights 土地使用权摊销	35	35
Amortisation of government grants 政府补贴摊销	(56)	(56)
Operating profit before working capital changes 计算流动资金变更前后的营运利润	6,173	1,009
(Increase)/decrease in inventories 存货(增加)/减少	(10,147)	33,817
Decrease in trade and bills receivables 应收帐款及票据减少	1,304	13,322
Decrease in prepayments, other receivables and deposits 预付款, 其他应收款和预付订金减少	5,414	15,889
Decrease in trade payables 应付帐款减少	(2,285)	(10,624)
(Decrease)/increase in accrued liabilities, other payables and deposits received 计提负债, 其他应付款和预收订金(减少)/增加	(7,746)	2,583
Cash (used in)/generated from operations 营运(所用)/所得现金	(7,287)	55,996
Income taxes paid 已付税款	(20)	(93)
Net cash (used in)/generated from operating activities 营运活动(所用)/所得净现金	(7,307)	55,903
<b>Cash flows from investing activities 投资活动所得现金流量</b>		
Interest received 已收利息	1,796	3,236
Net cash generated from investing activities 投资活动所得净现金	1,796	3,236
<b>Cash flows from financing activities 融资活动所得现金流量</b>		
New bank borrowings 新增银行贷款	428,704	363,292
Repayment of bank borrowings 偿还银行贷款	(468,000)	(589,986)
Decrease in pledged deposits 抵押存款减少	54,776	160,566
Interest paid 已付利息	(8,609)	(10,560)
Net cash generated from/(used in) financing activities 融资活动所得/(所用)现金	6,871	(76,688)
Net increase/(decrease) in cash and cash equivalents 现金和现金等价物净增加/(减少)	1,360	(17,549)
Cash and cash equivalents at 1 Jul 于 7 月 1 日的现金和现金等价物	25,522	31,209
Cash and cash equivalents at 30 Sep 于 9 月 30 日的现金和现金等价物	26,882	13,660

- 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) 股东权益的所有变更的报表或 (ii) 资本化发行及分配产生的股东权益变更除外的股东权益变更的报表, 连同上一财政年同期的对比报表。

**Statements of changes in equity for the three months ended 30 September 2015**  
**截至 2015 年 9 月 30 日三个月的股东权益变更报表**

<b>Group</b> <b>集团</b>	<b>Share capital</b> <b>股本</b> <b>RMB'000</b> Unaudited 未经审计	<b>Share premium</b> <b>股票溢价</b> <b>RMB'000</b> Unaudited 未经审计	<b>Merger reserve</b> <b>合并储备</b> <b>RMB'000</b> Unaudited 未经审计	<b>Statutory reserve</b> <b>法定储备</b> <b>RMB'000</b> Unaudited 未经审计	<b>Exchange fluctuation reserve</b> <b>兑汇浮动储备</b> <b>RMB'000</b> Unaudited 未经审计	<b>Accumulated losses</b> <b>累计亏损</b> <b>RMB'000</b> Unaudited 未经审计	<b>Total equity</b> <b>总股东权益</b> <b>RMB'000</b> Unaudited 未经审计
<b>Balance at 1 Jul 2014</b> <b>2014 年 7 月 1 日余额</b>	78,438	137,794	(18,488)	33,647	(5,348)	(78,910)	147,133
Loss for the period 本期亏损	-	-	-	-	-	(17,626)	(17,626)
Total comprehensive loss for the period 本期总综合亏损	-	-	-	-	-	(17,626)	(17,626)
<b>Balance at 30 Sep 2014</b> <b>2014 年 9 月 30 日余额</b>	78,438	137,794	(18,488)	33,647	(5,348)	(96,536)	129,507
<b>Balance at 1 Jul 2015</b> <b>2015 年 7 月 1 日余额</b>	78,438	137,794	(18,488)	33,647	(5,348)	(316,741)	(90,698)
Loss for the period 本期亏损	-	-	-	-	-	(11,900)	(11,900)
Total comprehensive loss for the period 本期总综合亏损	-	-	-	-	-	(11,900)	(11,900)
<b>Balance at 30 Sep 2015</b> <b>2015 年 9 月 30 日余额</b>	78,438	137,794	(18,488)	33,647	(5,348)	(328,641)	(102,598)

1. In accordance with the relevant laws and regulations of the the People's Republic of China ("PRC"), the subsidiaries of the Company established in the PRC are required to transfer 10% of its profit after taxation prepared in accordance with the accounting regulation in the PRC to the statutory reserve until the reserve balance reaches 50% of the respective registered capital. This statutory reserve is non-distributable except upon liquidation of the PRC subsidiaries.

根据中国有关法例和守则, 本公司于中国设立的子公司需将税后利润(根据中国会计制度计算)的 10%转入法定储备直到法定储备达到该子公司的注册资本的 50%为止。这法定储备(除在该子公司清盘的情况下以外)是不可作分配的。

<u>Company 公司</u>	<b>Share capital</b> 股本 RMB'000 Unaudited 未经审计	<b>Share premium</b> 股票溢价 RMB'000 Unaudited 未经审计	<b>Merger reserve</b> 合并储备 RMB'000 Unaudited 未经审计	<b>Accumulated losses</b> 累计亏损 RMB'000 Unaudited 未经审计	<b>Total equity</b> 总股东权益 RMB'000 Unaudited 未经审计
<b>Balance at 1 Jul 2014</b> 2014 年 7 月 1 日余额	78,438	137,794	34,364	(128,229)	122,367
Loss for the period 本期亏损	-	-	-	(1,956)	(1,956)
Total comprehensive loss for the period 本期总综合亏损	-	-	-	(1,956)	(1,956)
<b>Balance at 30 Sep 2014</b> 2014 年 9 月 30 日余额	78,438	137,794	34,364	(130,185)	120,411
<b>Balance at 1 Jul 2015</b> 2015 年 7 月 1 日余额	78,438	137,794	34,364	(266,580)	(15,984)
Loss for the period 本期亏损	-	-	-	(1,321)	(1,321)
Total comprehensive loss for the period 本期总综合亏损	-	-	-	(1,321)	(1,321)
<b>Balance at 30 Sep 2015</b> 2015 年 9 月 30 日余额	78,438	137,794	34,364	(267,901)	(17,305)

**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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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.**

自上一财政期，本公司因附加股、红股、股份购回、行使认股选择权或认股证、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发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因所有有效可换股证券行使时会发行的股票数目，及库存股票股数（如有）占上市公司已发行股票的总数（扣除库存股票）。

There were no changes in the Company's share capital for the three months ended 30 September 2015.

截至 2015 年 9 月 30 日三个月内公司的股本没有任何变动。

**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.**

显示于本财政期末和上一财政年末已发行股票数量，不包括库股票。

**Ordinary shares of HK\$0.30 each**  
**每股面值港币 0.30 元的普通股**

<b>As at 30 Sep 2015</b> 截至 2015 年 9 月 30 日	<b>As at 30 Jun 2015</b> 截至 2015 年 6 月 30 日
268,000,000	268,000,000

The Company does not have any treasury shares as at 30 September 2015 and 30 June 2015.

公司于 2015 年 9 月 30 日和 2015 年 6 月 30 日没有任何库存股票。

**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.**

显示本财政期末的所有销售、转让、弃置、取消和/或使用库存股票的报告声明。

Not applicable.

不适用。

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

有关数字是否已根据审计准则或惯例被审计或审阅。

The figures have not been audited or reviewed by auditors.

有关数字未经审计师审核或审阅。

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

如有关数字被审计或审阅，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.**

是否已应用与上市公司最近经审核的年度财务报表内应用的相同会计政策和计算方法。

The Group had adopted the same accounting policies and methods of computation as stated in the audited financial statements for the year ended 30 June 2015, except for the adoption of the new and amended International Financial Reporting Standards ("IFRSs") which became effective for financial year beginning on or after 1 July 2015. The adoption of these IFRSs did not have any material impact to the Group's financial statements.

集团已应用与截至 2015 年 6 月 30 日财政年经审核的年度财务报表内应用的相同会计政策和计算方法（除采用了适用于财政年以 2015 年 7 月 1 日或以后的新修订国际财务报告准则 ("IFRSs")）。采用这些 IFRSs 不会对集团的财务报表有重大影响。

**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.**

如会计政策和计算方法有任何变更（包括会计准则要求），须列出有关的变更、变更原因和变更的影响。

Not applicable.

不适用。



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.**  
扣除优先股股息准备后，集团在本财政期间及上一财政年同期每股普通股的盈利

	<u>Group 集团</u>	
	3 months ended 30 Sep 2015 截至 2015 年 9 月 30 日 三个月 Unaudited 未经审计	3 months ended 30 Sep 2014 截至 2014 年 9 月 30 日 三个月 Unaudited 未经审计
<b>In RMB cents 人民币分</b>		
Loss per ordinary share of the group, after deducting any provision for preference dividends 扣除任何优先股股息准备后，集团每股普通股亏损		
(a) Based on number of ordinary shares on issue; and 基于以发行普通股数目	(4.44)	(6.58)
(b) On a diluted basis 基于摊薄基准	N/A	N/A

**Note:**

The calculation of basic loss per share for the 3 months ended 30 September 2015 was computed by dividing the Group's loss for the period by 268,000,000 ordinary shares (3 months ended 30 September 2014: 268,000,000 ordinary shares) during the period.

截至 2015 年 9 月 30 日三个月的每股亏损的计算方法是将集团本期亏损除以本期普通股数量 268,000,000 股（截至 2014 年 9 月 30 日三个月：268,000,000 普通股）。

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**  
(a) current financial period reported on; and  
(b) immediately preceding financial year.  
基于期末已发行股本（扣除库存股票）计算，(a) 于本财政期末；和 (b) 于上一财政年末上市公司和集团每股普通股资产净值。

	<u>Group 集团</u>		<u>Company 本公司</u>	
	30 Sep 2015 2015 年 9 月 30 日 Unaudited 未经审计	30 Jun 2015 2015 年 6 月 30 日 Unaudited 未经审计	30 Sep 2015 2015 年 9 月 30 日 Unaudited 未经审计	30 Jun 2015 2015 年 6 月 30 日 Unaudited 未经审计
<b>In RMB 人民币</b>				

Net asset value per ordinary share based on  
issued share capital at the end of:

基于期末已发行股本计算，每股普通股资产净值 (0.38) (0.34) (0.06) (0.06)

**Note:**

The net asset value was calculated by dividing the Group's net asset value by 268,000,000 ordinary shares (30 June 2015: 268,000,000).

资产净值的计算方法是将集团资产净值除以本期普通股数量 268,000,000 股（2015 年 6 月 30 日：268,000,000 股）。

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.**

回顾集团表现使能对集团业务得到合理了解。此必包括以下分析

:

- (a) 本财政期内影响集团销售收入、销售成本和盈利的季节性或周期性因素（如适用）；和**
- (b) 本财政期内影响集团现金流、流动资金、资产或负债的因素。**

#### **REVIEW OF FINANCIAL RESULTS FOR THE THREE MONTHS ENDED 30 SEPTEMBER 2015("1QFY2016") COMPARED TO THE THREE MONTHS ENDED 30 SEPTEMBER 2014("1QFY2015")**

**截至 2015 年 9 月 30 日三个月("1QFY2016")比较截至 2014 年 9 月 30 日三个月("1QFY2015")的财务业绩回顾**

##### **Revenue 销售收入**

Revenue decreased by approximately RMB53.6 million from RMB99.6 million in 1QFY2015 to RMB46.0 million in 1QFY2016 as a result of intense price competition and a decrease in sales volume due to weak market demand.

销售收入由 1QFY2015 的人民币九千九百六十万元减少约人民币五千三百六十万元至 1QFY2016 的人民币四千六百万，主要原因是市场需求疲弱，价格竞争激烈和销售量下降所致。

##### **Cost of sales and gross profit 销售成本和毛利**

Cost of sales decreased in line with revenue by approximately RMB59.0 million from RMB103.2 million in 1QFY2015 to RMB44.2 million in 1QFY2016.

The Group recorded a gross profit of RMB1.8 million in 1QFY2016 compared to a gross loss of RMB3.6 million in 1QFY2015. There was a gross profit margin of 3.8% in 1QFY2016 compared to a gross loss margin of 3.6% in 1QFY2015. The increase in profit margin was mainly attributable to a decrease in cotton costs due to the utilization of newly purchased lower price cotton to manufacture the Group's products for sale, an increase in the sales of higher margin export products such as bed linen sets and a decrease in the sales of lower margin products.

销售成本随销售由 1QFY2015 的人民币一亿零三百二十万元减少约人民币五千九百万元至 1QFY2016 的人民币四千四百二十万元。

毛利由 1QFY2015 的亏损人民币三百六十万元增加至 1QFY2016 的毛利人民币一百八十万元，而毛利率由 1QFY2015 的亏损率 3.6%增加到 1QFY2016 的毛利率 3.8%。这主要原因是集团产品的棉花成本减少，因为期内使用新采购较低价格棉花来制造销售产品集团产品的棉花成本减少使集团产品的棉花成本减少；和利润较高的出口床品销售上升而利润较低的产品减少所致。

##### **Other income 其他收入**

Other income which comprised mainly interest income, decreased by approximately RMB1.5 million from RMB3.3 million in 1QFY2015 to RMB1.8 million in 1QFY2016. The decrease in other income was mainly due to a decrease in bank interest rates.

其他收入，主要是利息收入，由 1QFY2015 的人民币三百三十万元减少约人民币一百五十万元至 1QFY2016 的人民币一百八十万元，主要原因是银行存款利率减少所致。

**Selling and distribution expenses 销售费用**

Selling and distribution expenses increased by approximately RMB0.3 million from RMB0.9 million in 1QFY2015 to RMB1.2 million in 1QFY2016, mainly due to an increase in the export sales of bed linen products which required higher transportation costs.

销售费用随销售量由 1QFY2015 的人民币九十万元增加约人民币三十万元至 1QFY2016 的人民币一百二十万元，主要原因是运费较高的出口床品销售增加所致。

**Finance costs 财务成本**

Finance costs decreased by approximately RMB2.0 million from RMB10.6 million in 1QFY2015 to RMB8.6 million in 1QFY2016 due to a decrease in bank borrowings during the period. However, high finance costs continued to be an extremely significant cause of the loss.

财务成本由 1QFY2015 的人民币一千零六十万元减少约人民币二百万元至 1QFY2016 的人民币八百六十万元，主要原因是减少银行贷款所致。但是，财务成本依然是集团亏损的一个极重要因素。

**Loss before income tax 税前亏损**

Loss before income tax decreased by approximately RMB5.7 million from RMB17.6 million in 1QFY2015 to RMB11.9 million in 1QFY2016, mainly due to the increase in gross profit and decrease in finance costs.

税前亏损由 1QFY2015 人民币一千七百六十万元减少约人民币五百七十万元至 1QFY2016 人民币一千一百九十万元，主要原因是毛利增加和财务成本减少所致。

**Loss for the period 期内亏损**

As a result of the above factors, loss for the period decreased by approximately RMB5.7 million from RMB17.6 million in 1QFY2015 to RMB11.9 million in 1QFY2016.

期内利润由 1QFY2015 人民币一千七百六十万元减少约人民币五百七十万元至 1QFY2016 人民币一千一百九十万元，主要原因已于上文陈述。

**REVIEW OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015**

**2015 年 9 月 30 日财务状况审阅**

Inventories 库存

Inventories increased by RMB10.1 million during the period under review, mainly due to the purchase of cotton for production to fulfil customer orders in view of the forthcoming traditional peak season.

库存增加人民币一千零一十万元，主要原因是期内采购棉花用于生产以满足将至传统旺季的顾客订单所致。

Prepayments, other receivables and deposits 预付款、其他应收款及预付订金

Prepayments, other receivables and deposits decreased by RMB5.4 million. This was attributable mainly to the utilisation of deposits paid to suppliers to purchase raw materials.

预付款、其他应收款及预付订金减少人民币五百四十万元，主要原因是耗用了向供应商购买原材料的订金来采购原材料所致。

Pledged deposits 抵押存款

Pledged deposits decreased by RMB54.8 million, mainly due to the repayment of the related short term bank borrowings in the form of bills payable during the period.

抵押存款减少人民币五千四百八十万元，主要原因是期内集团偿还了有关的应付票据所致。

Trade payables 应付帐款

Trade payables decreased by RMB10.6 million, mainly due to payment for purchase of raw materials closer to the end of the period.

应付帐款减少人民币一千零六十万元，主要原因是接近期末偿还了采购原料款项所致。

Other major assets and liabilities such as trade and bills receivables, deposits, accrued liabilities, other payables and deposits, bank borrowings and tax payable remained at approximately the same level as the financial year ended 30 June 2015.

其他主要的资产和负债如应收帐款及票据、预付订金、计提负债、其他应付款及预收订金、银行贷款和应付税金都维持与 2015 年 6 月 30 日相约水平。

The net current liabilities of RMB576.3 million as at 30 September 2015 were mainly due to the Group's utilisation of short term bank borrowings to increase the flexibility in managing the Group's bank borrowings in accordance with the Group's working capital needs, which resulted in the reduction of interest costs.

因此，于 2015 年 9 月 30 日有净流动负债人民币五亿七千六百万，因为集团利用短期贷款以加强集团管理贷款的灵活性，方便根据集团资金需要减少贷款及其相关利息。

The Group has maintained good relationships with the banks. As a usual practice, the Group will arrange with the banks to reschedule the bank borrowings when they fall due. The Group is therefore confident that the existing bank borrowings can be renewed as and when they fall due so that the operations of the Group will not be affected. Nevertheless, Management is monitoring the Group's cashflow closely to ensure that the Group has adequate working capital.

集团与银行一直保持良好业务关系。按惯例，贷款到期时，集团会与银行再安排贷款。所以，集团有信心目前贷款到期时也能安排跟新延续而集团运作不受影响。无论如何，管理层会紧密监察集团的现金流，确保集团有足够的流动资金。

**CASH FLOW STATEMENT REVIEW**

**现金流量表审阅**

**1QFY2016 vs 对比 1QFY2015**

Net cash used in operating activities was RMB7.3 million in 1QFY2016, mainly due to an increase in inventories. This was contrasted against the net cash generated from operating activities RMB55.9 million in 1QFY2015.

1QFY2016 的营运活动所用净现金是人民币五千五百九十万元，主要原因是库存增加所致。而 1QFY2015 的营运活动所得净现金是人民币五千五百九十万元。

Net cash generated from investing activities was RMB1.8 million in 1QFY2016 compared to RMB3.2 million in 1QFY2015, mainly due to the interest received during the period.

1QFY2016 的投资活动所得净现金是人民币一百八十万元，主要是期内的利息收入。而 1QFY2015 的投资活动所得净现金是人民币三百二十万元。

Net cash generated from financing activities was RMB6.9 million in 1QFY2016, mainly due to a decrease in pledged bank deposits. This was contrasted against the net cash used in financing activities was RMB76.7 million in 1QFY2015.

1QFY2016 的融资活动所得净现金是人民币六百九十万元，主要原因是抵押存款减少所致。而 1QFY2015 的融资活动所用净现金是人民币七千六百七十万元。

As a result, there was a net increase in cash and cash equivalents of RMB1.4 million in 1QFY2016. This was contrasted against the net decrease in cash and cash equivalents of RMB17.5 million in 1QFY2015.

因此，1QFY2016 现金和现金等值物净增加是人民币一百四十万元。而 1QFY2015 现金和现金等值物净减少是人民币一千七百五十万。

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**  
如以前曾向股东披露预测或前景声明，列明它与实际业绩的差别。

The 1QFY2016 results are in line with the information described in paragraph 10 of the FY2015 results announcement.

1QFY2016 业绩与 FY2015 的业绩公告第 10 段描述的内容相符。

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，集团所处行业的显著趋势和竞争情况以及可能影响集团在下个报告和未来 12 个月的任何已知因素或事项的有关评论。

From the beginning of the current financial year to-date, cotton price has kept at a relatively stable level. However, the weak domestic market demand and the excess production capacity in the domestic textile industry have resulted in the continuous intense market competition.

As overseas markets growth, particularly the US market, are better than the domestic market, the Group will put in more efforts to expand its export sales in the overseas markets such as taking part in the forthcoming Canton Fair in Guangzhou to attract more sales orders. Domestically, the Group is continuously targeting the popular downstream home textile manufacturers.

Whilst Management continues to focus on its operational efficiencies and strengthen its inventories management, the next twelve months are expected to continue to be challenging.

自本财年开始至今，棉花价格大致保持稳定。但是，本地市场需求依然疲弱和本地纺织行业产能依然过剩以致市场竞争依然激烈。

正当海外市场增长特别是美国市场比本地市场好，集团会努力扩大出口销售。例如，集团会参加即将在广州举行的广交会争取订单。本地市场方面，集团会继续集中本地著名家纺品牌的销售。

虽然管理层会继续完善营运效率和加强库存管理，未来的 12 个月会依然是艰难和充满挑战。

**11. Dividend**  
**股息**

**(a) Current Financial Period Reported On**  
**本财政期**

Any dividend declared for the current financial period reported on?  
有否股息于本财政期被宣布派发?

Nil.  
无。

**(b) Corresponding Period of the Immediately Preceding Financial Year**  
**上财政年同期**

Any dividend declared for the corresponding period of the immediately preceding financial year?  
有否股息于上财政年同期被宣布派发?

Nil.  
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.**  
**如没有宣布或建议派发股息，须作此声明。**

No dividend has been recommended for the period under review.  
期内没有建议派发股息。

**13. Interested person transactions**  
**关联人士交易**

The Company does not have a shareholders' mandate for interested person transactions.  
本公司没有股东授权的关联人士交易。

**14. Negative Assurance Confirmation**

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of **China Hongcheng Holdings Limited** which may render these interim financial results for the first quarter ended 30 September 2015 to be false or misleading in any material aspect.

我们确认根据我们所知情的所有资料，没有任何事情导致那些会引起截至 2015 年 9 月 30 日 第一季度财务报告出现重大虚假或误导而需要中国宏诚控股有限公司董事会需要特别的留意。

Liu Ming 刘明  
Executive Chairman & CEO  
执行主席及总裁

Zhao Yan 赵岩  
Executive Director  
执行董事

BY ORDER OF THE BOARD  
奉董事会之命

Liu Ming 刘明  
Executive Chairman  
执行主席  
10 December 2015  
2015 年 12 月 10 日