CHINA FIRST CAPITAL GROUP LIMITED
中國首控集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1269)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

HIGHLIGHTS

	2015 *(RMB' million)*	**2014** *(RMB' million)*	**Increase/ (Decrease)**
Revenue	**1,087.7**	830.7	30.9%
(Loss) profit for the year attributable to owners of the Company	**(22.6)**	2.6	(969.2%)
Basic (loss) earnings per share	**RMB(0.06)**	RMB0.01	(700%)

	As at 31 December 2015 *(RMB' million)*	**As at 31 December 2014** *(RMB' million)*	**Increase**
Total assets	**1,877.6**	1,344.4	39.7%
Equity attributable to owners of the Company	**628.7**	389.4	61.5%
Net asset value per share *(note)*	**RMB1.14**	RMB1.01	12.9%

Note: Net asset value per share is arrived at by dividing equity attributable to owners of the Company by the number of issued shares as at the end of the year.

FINAL RESULTS

The board of directors (the "Board") of China First Capital Group Limited (the "Company") is pleased to announce the audited financial results for the year ended 31 December 2015 of the Company and its subsidiaries (collectively, the "Group") as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Notes	**2015** **RMB'000**	2014 RMB'000
Revenue	*3*	**1,087,737**	830,704
Cost of sales		**(862,401)**	(656,811)
Gross profit		**225,336**	173,893
Other income and expenses, other gains and losses	*4*	**(11,340)**	(16,990)
Selling and distribution expenses		**(82,575)**	(46,745)
Research and development expenditure		**(36,571)**	(25,135)
Administrative expenses		**(83,209)**	(48,388)
Finance costs	*5*	**(35,961)**	(31,629)
(Loss) profit before tax	*6*	**(24,320)**	5,006
Taxation	*7*	**(3,390)**	(2,449)
(Loss) profit for the year		**(27,710)**	2,557
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange difference arising on translation of foreign operation		**1,198**	(44)
(Loss) profit and total comprehensive (expense) income for the year		**(26,512)**	2,513
(Loss) profit for the year attributable to:			
Owners of the Company		**(22,631)**	2,557
Non-controlling interests		**(5,079)**	–
		(27,710)	2,557
Total comprehensive (expense) income attributable to:			
Owners of the Company		**(21,433)**	2,513
Non-controlling interests		**(5,079)**	–
		(26,512)	2,513
(Loss) earnings per share			
– Basic (RMB)	*8*	**(0.06)**	0.01

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2015

	Notes	2015 RMB'000	2014 RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**468,326**	438,357
Prepaid lease payments		**134,154**	136,968
Deposits for acquisition of property, plant and equipment		**–**	114
Interest in an associate		**2,500**	2,500
Intangible assets		**419**	–
Available for sale investment – unlisted limited partnership	*9*	**69,536**	65,761
Goodwill		**29,655**	29,655
Deferred expenditure		**–**	490
Deferred tax assets		**3,406**	3,558
		707,996	677,403
CURRENT ASSETS			
Inventories	*10*	**101,998**	117,859
Trade and other receivables	*11*	**505,227**	375,061
Loan receivables		**43,234**	–
Prepaid lease payments		**3,007**	3,007
Restricted bank balances		**113,180**	84,290
Bank balances and cash		**402,929**	86,763
		1,169,575	666,980
TOTAL ASSETS		**1,877,571**	1,344,383
CURRENT LIABILITIES			
Amount due to an associate		**3,832**	6,669
Trade and other payables	*12*	**561,670**	416,668
Advance from customers		**2,851**	2,375
Borrowings – due within one year	*13*	**436,508**	338,744
Income tax payable		**23,472**	20,234
Deferred income		**806**	817
Provisions		**17,120**	11,620
		1,046,259	797,127
NET CURRENT ASSETS (LIABILITIES)		**123,316**	(130,147)
TOTAL ASSETS LESS CURRENT LIABILITIES		**831,312**	547,256

	Notes	**2015** *RMB'000*	2014 *RMB'000*
NON-CURRENT LIABILITIES			
Borrowings – due after one year	*13*	**62,416**	147,832
Other payables		**544**	777
Deferred income		**14,316**	9,273
		77,276	157,882
TOTAL LIABILITIES		**1,123,535**	955,009
OWNERS' EQUITY			
Share capital	*14*	**45,311**	31,318
Reserves		**708,725**	358,056
Equity attributable to:			
Owners of the Company		**628,695**	389,374
Non-controlling interests		**125,341**	–
		754,036	389,374
TOTAL LIABILITIES AND OWNERS' EQUITY		**1,877,571**	1,344,383

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Paid in capital RMB'000	Share Premium RMB'000	Reserves: Capital Reserve RMB'000 (note a)	Reserves: Surplus Reserve RMB'000 (note b)	Reserves: Translation Reserve RMB'000	Reserves: Retained earnings RMB'000	Non-controlling Interests RMB'000	Total RMB'000
At 1 January 2014	31,318	186,462	42,917	25,100	(472)	101,536	–	386,861
Profit for the year	–	–	–	–	–	2,557	–	2,557
Exchange difference arising on translation	–	–	–	–	(44)	–	–	(44)
	–	–	–	–	–	–	–	–
Profit and total comprehensive income for the year	–	–	–	–	(44)	2,557	–	2,513
Appropriations	–	–	–	1,193	–	(1,193)	–	–
At 31 December 2014 and 1 January 2015	31,318	186,462	42,917	26,293	(516)	102,900	–	389,374
Issue of new shares *(note 14)*	13,993	263,012	–	–	–	–	–	277,005
Non-controlling interests arising on								
– acquisition of subsidiaries	–	–	–	–	–	–	4,124	4,124
– partial disposal of a subsidiary *(note c)*	–	–	–	–	–	(16,251)	126,296	110,045
	–	–	–	–	–	(16,251)	130,420	114,169
Loss for the year	–	–	–	–	–	(22,631)	(5,079)	(27,710)
Exchange difference arising on translation	–	–	–	–	1,198	–	–	1,198
Loss and total comprehensive expenses for the year	–	–	–	–	1,198	(22,631)	(5,079)	(26,512)
At 31 December 2015	45,311	449,474	42,917	26,293	682	64,018	125,341	754,036

Notes:

(a) The balance as at 1 January 2014 mainly arising from various reorganisation to streamline the Group's structure prior to the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited.

(b) The balance comprising statutory surplus reserve and discretionary surplus reserve, which are non-distributable and the transfer to these reserves is determined according to the relevant laws in the mainland China (the "PRC") and by the board of directors of the PRC subsidiaries in accordance with the Article of Associate of the subsidiaries. Statutory surplus reserve can be used to make up for previous years' losses or convert into additional capital of the PRC subsidiaries of the Company.

Discretionary surplus reserve can be used to expand the existing operations of the Company's PRC subsidiaries.

(c) During the year ending 31 December 2015, Nanyang Cijan Auto Shock Absorber Company Limited ("Nanyang Cijan") entered into a subscription Agreement with a subscriber ("Subscriber"), pursuant to which Nanyang Cijan issued, and the Subscriber subscribed for, 30% of the equity interest in Nanyang Cijan, at the consideration of RMB110 million by way of capital injection into the registered capital of Nanyang Cijan in cash. The subscription issue was completed in 2015.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2015

	2015	2014
	RMB'000	*RMB'000*
OPERATING ACTIVITIES		
Profit before tax	**(24,320)**	5,006
Adjustments for:		
Amortisation of intangible assets	**–**	412
Depreciation of property, plant and equipment	**26,629**	20,574
Deferred income released to profit or loss	**(968)**	(1,378)
(Gain) loss on disposal of property, plant and equipment	**7,134**	(17)
Interest income	**(1,881)**	(2,672)
Interest expense	**35,961**	31,629
Investment income	**(7,093)**	(4,063)
Impairment loss recognised in respect of deposits for acquisition of property, plant and equipment	**–**	1,508
(Reversal of) impairment loss recognised in respect of inventories	**(4,404)**	2,500
Impairment loss recognised in respect of trade receivables	**3,392**	–
Impairment loss recognised in respect of other receivables	**–**	8,491
Impairment loss recognised in respect of property, plant and equipment	**–**	33,680
Impairment loss recognised in respect of intangible assets	**6,873**	–
Reversal of impairment loss recognised in respect of trade receivables, net	**–**	(4,159)
Release of prepaid lease payments	**2,814**	3,021
Unrealised exchange gain	**(2,147)**	(340)
Operating cash flows before movements in working capital	**41,990**	94,192
Increase in loan receivables	**(39,934)**	–
Decrease (increase) in inventories	**20,265**	(36,527)
Increase in trade and other receivables	**(137,342)**	(72,021)
Increase in trade and other payables	**140,105**	91,784
Increase (decrease) in advance from customers	**476**	(121)
Increase in provision	**5,500**	4,120
Increase (decrease) in deferred expenditure	**490**	(490)
Cash generated from operations	**31,550**	80,937
Income tax paid	**–**	(5,204)
NET CASH FROM OPERATING ACTIVITIES	**31,550**	75,733

	2015	2014
	RMB'000	*RMB'000*
INVESTING ACTIVITIES		
Additions of property, plant and equipment	**(67,930)**	(37,874)
Addition of intangible assets	**(419)**	–
Deposits paid for acquisition of property, plant and equipment	**–**	(11,334)
Grants received in relation to acquisition of property, plant and equipment	**6,000**	3,390
Interest received	**1,881**	2,672
Dividend received	**7,093**	4,063
Net payment for acquisition of subsidiaries	**(4,081)**	–
Proceeds from disposal of property, plant and equipment	**4,565**	549
Purchase of prepaid lease payments	**–**	(3,561)
Placement of restricted bank deposits	**(113,180)**	(84,290)
Release of restricted bank deposits	**84,290**	54,970
NET CASH USED IN INVESTING ACTIVITIES	**(81,781)**	(71,415)
FINANCING ACTIVITIES		
(Repayment of) advance from an associate	**(2,837)**	5,819
Interest paid	**(35,908)**	(31,554)
New borrowings raised	**351,092**	413,716
Proceeds from issue of new shares	**277,005**	–
Contribution from a non-controlling shareholder	**110,045**	–
Repayment of borrowings	**(333,000)**	(357,936)
NET CASH FROM FINANCING ACTIVITIES	**366,397**	30,045
NET INCREASE IN CASH AND CASH EQUIVALENTS	**316,166**	34,363
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	**86,763**	52,400
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	**402,929**	86,763
Cash and cash equivalents represented by Bank balances and cash	**402,929**	86,763

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. GENERAL

The Company is incorporated as an exempted company with limited liability in the Cayman Islands on 27 April 2011. The shares of the Company has been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") with effect from 23 November 2011. During the year ended 31 December 2015, the Company changed its name from China Vehicle Components Technology Holdings Limited to China First Capital Group Limited. Following the completion of two shares placement during the year ended 31 December 2015, the Company no longer has controlling parties. Wealth Max Holdings Limited ("Wealth Max") (incorporated in the British Virgin Islands) and its ultimate controlling party, Mr. Wilson Sea (formerly known as Xi Chunying) and other individuals who have agreed to act-in-concert became the substantial shareholders of the Company as at 31 December 2015. Up to the date of this announcement, another substantial shareholder of the Company, Hong Kong Chuang Yue Co., Limited, holds 160,872,000 shares, representing 29.09% of the Company's total issued shares, the ultimate controlling party of Hong Kong Chuang Yue Co., Limited is Mr. Tang Mingyang.

The Company is an investment holding company. The Group is principally engaged in the research and development, design, manufacturing and sale of various automobile shock absorbers and has more than 50 years of experience in the industry. Since the end of 2014, the Group has tapped into new business including investment migration advisory services, financial advisory and consultancy services, financial credit service and securities brokerage service in order to facilitate the diversification of the Group's business and further expand its asset portfolio and revenue sources.

The consolidated financial statements are presented in Renminbi ("RMB"), the currency of the primary economic environment in which the principal subsidiaries of the Company operate.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

For the purpose of preparing and presenting the consolidated financial statements, the Group has adopted amendments to the Hong Kong Financial Reporting Standards ("HKFRSs"), for the first time in this year, which are mandatorily effective for the accounting period beginning on 1 January 2015.

The application of the new and revised HKFRSs in the current year has had no material impact on the Group's consolidated financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS 10 and HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception[3]
Amendments to HKFRS 11	Accounting for Acquisitions of Interest in Joint Operations[3]
Amendments to HKAS 1	Disclosure Initiative[3]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[3]
Amendments to HKAS 16 and HKAS 41	Bearer Plants[3]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[3]
HKFRS 9	Financial Instruments[2]
HKFRS 15	Revenue from Contracts with Customers[2]

1 Effective for annual periods beginning on or after a date to be determined.

2 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

3 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.

3. REVENUE AND SEGMENT INFORMATION

(a) Segment revenue and segment results

	Segment revenue		Segment results	
	2015	2014	**2015**	2014
	RMB'000	*RMB'000*	***RMB'000***	*RMB'000*
Automobile shock absorbers	**1,082,008**	830,704	**219,607**	173,893
Financial and advisory services	**5,729**	–	**5,729**	–
Total segment and consolidated	**1,087,737**	830,704	**225,336**	173,893
Other income and expenses, other gains and losses			**(11,340)**	(16,990)
Selling and distribution expenses			**(82,575)**	(46,745)
Research and development expenditure			**(36,571)**	(25,135)
Administrative expenses			**(83,209)**	(48,388)
Finance costs			**(35,961)**	(31,629)
(Loss) profit before tax			**(24,320)**	5,006

Revenue reported above represents revenue generated from sales of goods/provision of services to external customers. There was no inter-segment sales during the years ended 31 December 2014 and 2015.

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the gross profit of each operating segment, conforming to the same measurement reported to the CODM for the purposes of resources allocation and performance assessment.

(b) Geographical information

The Group principally operates in the PRC (country of domicile of the operating subsidiaries). No material non-current assets of the Group are located outside the PRC.

Over 95% of the Group's revenue from external customers is derived from the PRC (country of domicile of the operating subsidiaries).

(c) Information about major customers

Revenue from major customers which accounts for 10% or more of the Group's revenue are as follows:

	2015	2014
	RMB'000	*RMB'000*
OEM – Customer A	**154,337**	157,571
OEM – Customer B	**N/A***	169,944
OEM – Customer C	**244,288**	N/A*

* The corresponding revenue did not contribute over 10% of the total sales of the Group for the respective year.

4. OTHER INCOME AND EXPENSES, OTHER GAINS AND LOSSES

	2015	2014
	RMB'000	*RMB'000*
(Allowance for) reversal of allowance for doubtful trade debts, net	**(3,392)**	4,159
Allowance for doubtful other debts	**–**	(8,491)
Dividends from investment in unlisted limited partnership	**7,093**	4,063
Donation	**(188)**	(276)
Exchange gain (loss), net	**4,659**	(1,099)
Government grants *(note)*	**5,860**	12,602
Impairment loss on deposits for acquisition of property, plant and equipment	**–**	(1,508)
Impairment loss on intangible assets	**(6,873)**	–
Impairment loss on property, plant and equipment	**–**	(33,680)
Interest income from bank deposits	**1,881**	2,672
(Loss) gain from scrap sales and aged products	**(5,321)**	2,971
(Loss) gain on disposal of property, plant and equipment	**(7,134)**	17
Loss on securities trading	**(2,426)**	–
Others	**(2,248)**	(1,864)
Penalties	**(6,009)**	–
Release of asset-related government grants	**968**	1,378
Storage services income	**1,790**	2,066
	(11,340)	(16,990)

Note: The grants represent incentives received by a PRC subsidiary for the eminent contribution in technology development and encouragement of business development, etc. These grants are accounted for as immediate financial support with no future related costs nor related to any assets.

5. FINANCE COSTS

	2015	2014
	RMB'000	*RMB'000*
Interest on:		
Bank borrowings wholly repayable within five years	**29,818**	30,843
Other borrowings wholly repayable within five years	**6,090**	711
	35,908	31,554
Accretion on other payables	**53**	75
	35,961	31,629

6. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging:

	2015	2014
	RMB'000	*RMB'000*
Employee benefits expenses (including directors):		
– salaries and other benefits	**102,813**	77,676
– retirement benefit scheme contributions	**10,037**	9,608
Total staff costs	**112,850**	87,284
Auditor's remuneration	**1,659**	1,624
Amortisation of intangible assets (included in administrative expenses)	**–**	412
Cost of inventories recognised as expenses (included in cost of sales and research and development expenditure)	**880,478**	666,766
Depreciation of property, plant and equipment	**26,629**	20,574
Release of prepaid lease payments	**2,814**	3,021

7. TAXATION

	2015	2014
	RMB'000	*RMB'000*
Tax expense comprises:		
Current tax expense	**3,238**	2,200
Deferred tax expense	**152**	249
	3,390	2,449

The tax charge for the years ended 31 December 2014 and 2015 can be reconciled to the (loss)/profit before tax per consolidated statement of profit or loss and other comprehensive income as follows:

	2015	2014
	RMB'000	*RMB'000*
Profit before tax	**(24,320)**	5,006
Tax at 25%	**(6,080)**	1,252
Tax effect of tax losses not recognised	**3,391**	2,003
Tax effect of expenses not deductible for tax purpose	**16,563**	6,427
Tax effect of income not taxable for tax purpose	**(3,639)**	(2,268)
Tax effect of additional qualified expenses deductible for tax purpose *(note)*	**(4,526)**	(3,153)
Effect of tax concessions granted to a PRC subsidiary	**(2,159)**	(1,495)
Utilisation of tax losses previously not recognised	**(160)**	(317)
	3,390	2,449

Note: The amount represents additional 50% income tax deduction in respect of qualifying research and development expenditures incurred for the year.

8. (LOSS) EARNINGS PER SHARE

The calculation of basic (loss) earnings per share is based on the following data:

	2015	2014
(Loss)/Earnings		
(Loss) profit for the year attributable to owners of the Company for the purpose of basic earnings (loss) per share *(RMB'000)*	**(22,631)**	2,557
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**400,369,973**	384,000,000

No diluted (loss) earnings per share are presented as there was no potential ordinary share outstanding during the year or as at the end of reporting period.

9. AVAILABLE-FOR-SALE INVESTMENT

	2015 *RMB'000*	2014 *RMB'000*
Unlisted investment:		
– Limited partnership	**69,536**	65,761

On 18 November 2013, the Group has invested HK$83,000,000 (approximately RMB65,761,000) in First Capital Automotive Component Industry M&A Fund L.P. (the "Partnership"), an exempted limited partnership established in the Cayman Islands principally engaging in making investments in and carrying out consolidations and mergers and acquisitions of automotive component business and assets in the PRC and overseas. The initial size of fund managed by the Partnership amounting to HK$200 million.

The investment is measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the fair values cannot be measured reliably.

10. INVENTORIES

	2015 *RMB'000*	2014 *RMB'000*
Raw materials	**24,045**	23,307
Work-in-progress	**5,205**	4,274
Finished goods	**72,748**	90,278
	101,998	117,859

11. TRADE AND OTHER RECEIVABLES

Trade and other receivables comprise the following:

	2015	2014
	RMB'000	*RMB'000*
Trade receivables *(note a)*	**392,224**	337,259
Less: allowance for doubtful trade debts	**(12,307)**	(8,915)
	379,917	328,344
Bills receivables	**76,626**	8,990
Other receivables	**32,579**	36,798
Less: allowance for doubtful other debts	**(7,921)**	(15,628)
	24,658	21,170
Value-added tax recoverable	**3,204**	2,360
Advances to suppliers	**20,822**	14,197
Total trade and other receivables	**505,227**	375,061

Note a:

The ageing of trade receivables presented based on invoice date (also approximate to the date of revenue recognition), net of allowance for doubtful debts, is as follows:

	2015	2014
	RMB'000	*RMB'000*
0 to 90 days	**366,503**	293,872
91 to 180 days	**9,659**	15,377
181 to 365 days	**3,755**	12,159
1 to 2 years	**–**	6,936
	379,917	328,344

Movement in the allowance for doubtful trade debts:

	2015	2014
	RMB'000	*RMB'000*
Beginning balance	**8,915**	13,074
Addition	**4,764**	1,997
Reversal of allowance for doubtful trade debts	**(1,372)**	(6,156)
Ending balance	**12,307**	8,915

Ageing of trade receivables which are past due but not impaired:

	2015	2014
	RMB'000	*RMB'000*
91 to 180 days	**9,659**	15,377
181 to 365 days	**3,755**	12,159
1 to 2 years	**–**	6,936
	13,414	34,472

12. TRADE AND OTHER PAYABLES

Trade and other payables comprise the following:

	2015	2014
	RMB'000	*RMB'000*
Trade payables *(note a)*	**357,438**	268,698
Bills payables *(note b)*	**112,680**	82,570
	470,118	351,268
Other payables	**19,281**	8,165
Other payables to employees	**813**	1,097
Other tax payables	**32,547**	28,400
Other accruals	**25,969**	19,717
Payroll and welfare payables	**13,486**	8,798
	562,214	417,445
Less: Amount shown under non-current liabilities	**(544)**	(777)
Total trade and other payables shown under current liabilities	**561,670**	416,668

Note a:

The following is an ageing analysis of trade payables presented based on invoice date at the end of the reporting periods:

	2015	2014
	RMB'000	*RMB'000*
Within 90 days	**319,986**	234,446
91–180 days	**33,990**	31,125
181–365 days	**1,166**	1,247
1–2 years	**2,296**	1,880
	357,438	268,698

Note b:

The following is an ageing analysis of bills payables, presented based on issuance date at the end of each reporting period:

	2015	2014
	RMB'000	*RMB'000*
Within 30 days	**4,260**	11,140
31 to 60 days	**12,430**	20,400
91 to 180 days	**95,990**	51,030
	112,680	82,570

13. BORROWINGS

	2015	2014
	RMB'000	*RMB'000*
Bank borrowings	**413,908**	446,908
Debentures	**69,195**	32,696
Other borrowing	**15,821**	6,972
	498,924	486,576
Unsecured	**378,924**	323,576
Secured	**120,000**	163,000
	498,924	486,576

The contractual maturity dates are as follows:

	2015	2014
	RMB'000	*RMB'000*
Within one year	**436,508**	338,744
More than one year, but not exceeding two years	**6,913**	70,832
More than two years, but not exceeding five years	**55,503**	77,000
	498,924	486,576
Less: Amounts due for settlement within 12 months (shown under current liabilities)	**(436,508)**	(338,744)
Amounts shown under non-current liabilities	**62,416**	147,832

The ranges of effective interest rates on the Group's borrowings are as follows:

	2015	2014
Fixed-rate borrowings	**4.5% – 6.4% per annum**	6.0% – 6.9% per annum

The Group has pledged certain assets to secure loan facilities granted to the Group. The carrying values of the assets pledged are as follows:

	2015	2014
	RMB'000	*RMB'000*
Property, plant and equipment	**192,371**	198,700
Land use rights	**101,213**	103,436
	293,584	302,136

14. SHARE CAPITAL

	Number of shares	Share capital *HK$*
Ordinary shares of HK$0.1 each		
Authorised:		
At 1 January 2014, 31 December 2014 and 2015	10,000,000,000	1,000,000,000
Issued and fully paid:		
At 1 January 2014 and 31 December 2014	384,000,000	38,400,000
Issue of shares *(note a)*	76,800,000	7,680,000
Issue of shares *(note b)*	92,160,000	9,216,000
At 31 December 2015	552,960,000	55,296,000

	2015 ***RMB'000***	2014 *RMB'000*
Share capital presented in consolidated statement of financial position	**45,311**	31,318

Note a: On 26 Oct 2015, an aggregate of 76,800,000 shares were allotted and issued at the placing price of HK$2.00 per share.

Note b: On 23 Dec 2015, an aggregate of 92,160,000 shares were allotted and issued at the placing price of HK$2.00 per share.

AUDITOR

The figures in respect of the Group's Consolidated Statement of Financial Position, Consolidated Statement of Comprehensive Income and the related notes thereto for the year ended 31 December 2015 as set out in this preliminary results announcement have been agreed by the Group's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu 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 Messrs. Deloitte Touche Tohmatsu on this preliminary results announcement.

MANAGEMENT DISCUSSION AND ANALYSIS

INTRODUCTION

The Company is an investment holding company. The Group is mainly engaged in the research and development, design, manufacturing and sale of various automobile shock-absorbers, and has over 50 years of experience in the automobile industry. Since the end of 2014, the Group has started to engage in certain new businesses, including investment migration consultancy service, financial advisory and consultancy services, financial credit service and securities brokerage service, to facilitate the diversification of the Group's business, and further expand its asset portfolios and sources of revenue.

MARKET REVIEW

In 2015, the sales volume of automobiles in the PRC was 24,597,600 units, representing an increase of approximately 4.68% compared to that of 2014, while the rate of growth decreased 2.18 percentage points year-on-year (source: China Association of Automobile Manufacturers). Under the business environment of rising manufacturing cost in the PRC and increasingly intense competition, with our refined production management, sustainable fixed assets, investment in research and development and active market development, our automobile component manufacturing business has achieved considerable growth in 2015.

The Group sold a total of 8,682,000 units of automobile shock-absorbers for the year ended 31 December 2015, representing a growth of 1,539,000 units or 21.5% over the corresponding period last year. The Group's sales income of automobile shock-absorbers amounted to RMB1,082 million, representing an increase of RMB251.3 million or 30.3% over the corresponding period last year.

Following the acquisition of First Capital Asset Management Limited (formerly known as First Capital Financial Limited) in 2014, the Group continued to make active efforts to develop the finance-related business, and acquired Shenzhen Crown Bridge Migration Consultancy Limited and Shenzhen Juntuo Migration Consultancy Service Limited in 2015. Despite of the stricter migration policy for overseas regions including Hong Kong, the two migration companies possessing market network and resources in the key cities in the PRC and overseas regions have provided an assess for First Capital Asset Management Limited to identify high-net-worth customers, achieving a synergistic effect. The commencement of those businesses generated a revenue of RMB5.7 million for the Group in 2015.

In response to the requirements of the commencement of the new businesses including investment migration consultancy services and financial advisory services, the significant increase in initial promotional cost and operational expenses of new businesses for the current period resulted in a loss attributable to shareholders of the Group of approximately RMB22.6 million in 2015, as compared to a profit recorded by the Group of approximately RMB2.6 million over the corresponding period last year.

OUTLOOK

Looking forward to 2016, the strategy of "One Belt, One Road" as proposed by Chinese leaders will boost the demand for infrastructure in the areas along the belt and the road in the PRC, for the purpose of facilitating trade and investment and integrating the financial system. The Group will seize the opportunity, capitalize on the extensive experience and talents in Hong Kong, leverage on Hong Kong's position as a financial hub, and provide financial services under the construction of "One Belt, One Road", including offering of new shares, syndicated bank loans and private equity funds.

In addition, while the United States is gradually shifting towards the standardization of interest rates, China, Japan and the Euro zone have adopted a more relaxed monetary policy, resulting in the diverging trend of interest rates for main economies. Along with the change of the market's expectation about the one-way appreciation of Renminbi, it is believed that the demand for overseas assets from the high net-worth customers in the PRC will increase, benefiting the asset management business of the Group.

To create highest values for the shareholders and stakeholders, the Group will implement the following strategies proactively:

(I) Striving to develop financial services and related businesses

To diversify its business and widen its sources of revenue, the Group has embarked on certain new businesses (the "New Businesses"), including investment Migration consulting service as well as financial consulting service, and built a new platform for the New Businesses for a better development by conducting acquisitions and establishing joint-venture partnerships with reputable companies. Meanwhile, a synergy of each business can be created to increase the interests of the Company and its shareholders as a whole.

While the Group will continue to implement the transformation and strengthen its financial operations, it will also develop the industry investment and build an integrated investment and finance platform driven by both the industry and finance. As for the financial business, the Group will continue to strengthen its advantages of holding its full license. In addition to its existing licenses for Type 1, Type 4 and Type 9 regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Law of Hong Kong), the Group plans to apply for the license of Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Commission in Hong Kong, to develop investment banking business, providing professional financing proposals to those high net-worth customers and institutional investors such as First Capital Asset Management Limited and First Capital Securities Limited, to strengthen the full-facet investment and financing services of the Group.

(II) Facilitating the growth of automotive component manufacturing business

The Group will continue to implement the development strategies in relation to the automotive component business by adhering to the following specific measures:

(1) taking advantage of the expanded production facilities to enhance production capacity and efficiency;

(2) exploring new customers, new products and new market segments to increase market share;

(3) enhancing the level of research and development and technologies to strengthen competitiveness;

(4) maintaining cost advantages;

(5) developing the shock absorber market for railway transportation; and

(6) pursuing expansion of business segments through investments, acquisitions and mergers.

(III) Indirectly investing the solar energy and clean energy segments

On 29 December 2015, together with Surrich International Company Limited, which is a subsidiary of the largest state-owned enterprise in Wuxi of Jiangsu Province, Wuxi Guolian Development (Group) Co., Ltd., and New Citic International Capital Co., Ltd, the Group established Guolian Financial Holding Group Co., Limited ("GF Holding"). On 11 January 2016, GF Holding entered into a subscription agreement with Comtec Solar System Group Limited to subscribe for 29% of the latter's enlarged issued share capital. This demonstrates that we are optimistic about the development and prospects of solar and clean energy segments which will indirectly generate future returns to the shareholders.

(IV) Proposing educational investment and training business

Despite of the slowdown of economic growth in the Mainland China under the "New Normality", which has affected the overall consumer market to a certain extent, the Group will devote to the development of the vast market of education, and invest and operate in the education-related enterprises with potentials, following the nation-wide implementation of the "second-child policy", the development of private education sector under the encouragement of central government, and the demand for quality education from the growth of middle class. The finance segment under the Group is able to provide various channels and proposals of sub-financing for the investment in educational projects, striving to build a financial platform for the integration of educational investments and operations.

The Group strongly believes that by consistently implementing the above strategies, the Group will be able to continue to strengthen and enhance its competitive edges, and maintain its leading position in the respective market, fully satisfy the rising demand for the increasing products and services from customers, grasp the opportunities for growth from the changes in the market, and create long-term values and returns for shareholders.

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2015, the Group's revenue for sales of automotive components increased by 30.3% to RMB1,082.0 million from RMB830.7 million in 2014. Such increase was primarily due to the Group's continuous efforts in developing new products simultaneously to meet the needs of automobile manufacturers to secure new purchase orders and enhancement of the market share. Meanwhile, the Group's new businesses, the financial and consultancy advisory services, also contributed a revenue of RMB5.7 million to the Group.

Cost of sales

For the year ended 31 December 2015, the Group's cost of sales of automotive components increased by 31.3% to RMB862.4 million from RMB656.8 million in 2014, which was mainly driven by the increased sales volume of our products.

Gross profit

For the year ended 31 December 2015, the overall gross profit of the Group increased by 29.6% to RMB225.3 million from RMB173.9 million in 2014. It was mainly due to the increase in the sales of automotive components business. The gross profit derived from the New Businesses was RMB5.7 million.

Gross profit margin

For the year ended 31 December 2015, gross profit margin of automotive components business decreased by 0.6 percentage points to 20.3% from 20.9% in 2014. It was mainly due to the increase of production costs was not completely offset by that of sales volume.

Other income and expenses, other gains and losses

The other income and expenses, other gains and losses decreased by 33.5% from a loss of RMB17.0 million in 2014 to a loss of RMB11.3 million in 2015. Such losses were mainly due to the combination of the following factors: (i) after relocation to a new plant area, Nanyang Cijan cleaned up losses of assets, including disposal of returned goods and losses of retired facilities, of approximately RMB12.5 million; (ii) a government grant received by Nanyang Cijan for the period was approximately RMB5.9 million; and (iii) an impairment of investment of approximately RMB6.9 million as a result of acquisition of a subsidiary for the Group's diversification of business in 2015.

Selling and distribution expenses

Selling and distribution expenses increased by 76.9% from RMB46.7 million in 2014 to RMB82.6 million in 2015. Such increase was primarily due to an increase in sales volume of the automotive components business resulting in an increase in the transportation costs, and the increase in after-sale expenses in response to customers' demand. In addition, the Group has started to develop its migration advisory and financial investment consultancy services in 2015, and the corresponding business promotion activities also resulted in an increase of overall selling expenses.

Research and development expenses

The research and development expenses are primarily the research and development related costs of the Group's automotive components business. Such cost increased by 45.8% from RMB25.1 million in 2014 to RMB36.6 million in 2015. Such increase in the expenses was primarily due to (i) increased efforts on the research of applying the shock-absorber related technology to different brands and models of automobiles; and (ii) additional development costs of shock absorbers for newly-developed automobiles.

Administrative expenses

The administrative expenses increased by 71.9% from RMB48.4 million in 2014 to RMB83.2 million in 2015. Such increase was mainly due to the increase in the office and administrative expenses from the commencement of new businesses, including expenses such as rentals of office premises, wages, welfare and related social insurance premium for administrative staff.

Finance costs

Finance costs increased by 13.9% from RMB31.6 million in 2014 to approximately RMB36.0 million in 2015. Such increase was mainly due to an increase in the working capital required for the expansion of the production and operation of shock absorber manufacturing business as well as the commencement of new businesses including migration and financial consultancy services during the period, which resulted in the increase of the relevant finance costs.

Income tax expense

For the year ended 31 December 2015, the Group's overall income tax expense was approximately RMB3.4 million, increased by RMB1.0 million or approximately 41.7% over 2014. The increase in income tax expense was mainly due to an increase in the amount of tax payable generated by Nanyang Cijan.

Net profit/loss for the year

For the year ended 31 December 2015, the Group recorded a loss of RMB27.7 million in 2015 as compared with a gain of RMB2.6 million in the corresponding period of 2014. Such decrease was mainly due to the fact that the increase of significant expenses including start-up expenses, related operational and promotional expenses in response of the need for new business. In addition, the increased income of the shock absorber business in 2015 was offset by the increased expenses during the period, especially the increase of special provision for receivables for specific customers and loss from disposal of inventory.

LIQUIDITY AND FINANCIAL RESOURCES

Net current assets

As at 31 December 2015, the Group's net current assets was RMB123.3 million as compared to the net current liabilities of RMB130.1 million as at 31 December 2014. Such change was due to new investors' recognition of the development direction of the new business during the year. The fund raised through two share placements during in the year further increased the capital strength of the Company, and resulted in significant increase in net current assets and bank deposits balance as at the end of the period.

FINANCIAL POSITION AND BANK BORROWINGS

As at 31 December 2015, the Group's total cash and bank balances, most of which were denominated in RMB and HK dollars, amounted to approximately RMB402.9 million, representing an increase of approximately 364.2% as compared with that of approximately RMB86.8 million, most of which were denominated in RMB and HK dollars, as at 31 December 2014. Such increase was mainly due to the fund raised from the share placements for the Group's diversification of business, in addition to the cash recovery from traditional operating activities for automotive components.

As at 31 December 2015, the Group's total borrowings amounted to approximately RMB498.9 million, representing an increase of approximately 2.5% as compared with that of RMB486.6 million as at 31 December 2014. Of which, short-term borrowings due within one year amounted to approximately RMB436.5 million, representing an increase of approximately 28.9% as compared with that of approximately RMB338.7 million as at 31 December 2014, while mid-to-long-term borrowings due after one year and more amounted to approximately RMB62.4 million, representing a decrease of approximately 57.8% as compared with that of approximately RMB147.8 million as at 31 December 2014.

As at 31 December 2015, the Group's gearing ratio, presented as a percentage of total borrowings and bills payable divided by total assets, was approximately 32.6% (2014: approximately 42.3%).

WORKING CAPITAL

As at 31 December 2015, the Group's net inventories, mainly comprising raw materials, work-in-progress and finished products, amounted to approximately RMB102.0 million, representing a decrease of 13.5% from approximately RMB117.9 million as at 31 December 2014. The management of the Group reviews and monitors the inventory level on a regular basis. For the year ended 31 December 2015, the average inventory turnover days were 46.5 days (2014: 56.0 days). Inventory turnover days were arrived at by dividing the average of the opening and ending balances of inventory during the period by cost of sales of the period and multiplied by 365 days.

As at 31 December 2015, the Group's trade receivables amounted to approximately RMB379.9 million, representing an increase of 15.7% from approximately RMB328.3 million as at 31 December 2014. For the year ended 31 December 2015, the average turnover days of trade receivables were 118.8 days (2014: 130.5 days). Turnover days of trade receivables were arrived at by dividing the average of the opening and ending balances of trade receivables during the period by sales volume for the relevant period and multiplied by 365 days. The decrease in the average turnover days of trade receivables was mainly due to enhancement of cooperation with key customers and continuously striving for long-lasting and favorable cooperation conditions, so long as the Group maintained revenue growth.

As at 31 December 2015, the Group's trade payables amounted to approximately RMB357.4 million, representing an increase of 33% from approximately RMB268.7 million as at 31 December 2014. For the year ended 31 December 2015, the average turnover days of trade payables were 132.5 days (2014: 131.7 days). The turnover days of trade payables were arrived at by dividing the average of the opening and ending balances of trade payables during the period by cost of sales for the period and multiplied by 365 days. The turnover days of trade payables in 2015 have no significant changes as compared with those in the previous year.

CAPITAL EXPENDITURES AND CAPITAL COMMITMENTS

For the year ended 31 December 2015, capital expenditures of the Group were approximately RMB72.4 million (2014: RMB52.8 million). The Group's capital expenditures were primarily related to an acquisition of land use rights, construction of production facilities, and the expenses for plants, machinery and equipment for the business expansion of its Nanyang Xichuan production base.

The Group has been financing its capital expenditures primarily through cash generated from operations and bank borrowings.

The Group will continue to expand its existing production facilities and construct new plants as part of its plan to expand production facilities. As at 31 December 2015, the Group had capital commitments for acquisition of plant and machinery of approximately RMB28.9 million (2014: RMB28.3 million).

INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to cash flow interest rate risk on the variable rate of interest earned on the restricted bank balances and bank balances. The Group's borrowings have fixed interest rates and therefore, are subject to fair value interest rate risk.

If interest rate of variable-rate bank balances had been 10 basis points higher/lower and all other variables were held constant, the Group's loss for the year ended 31 December 2015 would decrease/increase by approximately RMB439,000 (2014: RMB145,000 increase/decrease in the Group's profit). In the director's opinion, the sensitivity analysis above is unrepresentative for the interest rate risk as the exposure at the end of reporting period does not reflect the exposure during the year.

The Group monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

FOREIGN EXCHANGE RISK

The businesses of the Group are located in the PRC and Hong Kong, and its major operating transactions are denominated in Renminbi and HK dollars. Except certain bank balances and other borrowings of the Group and certain professional payables are denominated in HK dollars and US dollars mainly because of the listing of the Company, most of the assets and liabilities of the Group are denominated in Renminbi or HK dollars. Since Renminbi is not freely convertible, there exists the risk that the PRC Government may implement measures to interfere with the exchange rates, which in turn may have impact on the Group's net asset value, profit and the dividends declared to the extent that such dividends are subject to foreign exchange, and the Group has no hedging measures against such exchange risks. However, the management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

HUMAN RESOURCES

For the year ended 31 December 2015, the Group had 1,643 employees (2014: 1,539 employees) with total remuneration and welfare benefits expenses amounting to approximately RMB112.9 million (2014: RMB87.3 million). The Group's remuneration policy is primarily based on the job responsibilities, work experience and length of services of each employee and the prevailing market condition. The Group has also provided internal and external trainings and courses to our employees to encourage self-improvement and enhance their professional technical skills. The remuneration of the Directors will be determined based on their job duties and responsibilities, experience and the prevailing market condition.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed at the Company's extraordinary general meeting held on 19 October 2011, a share option scheme was approved and adopted (the "Scheme"). The Scheme will remain in force for a period of 10 years from the date of its adoption.

For the year ended 31 December 2015, no share options were granted under the Scheme by the Company. In addition, as of 31 December 2015, no share options under the Scheme were outstanding.

CONTINGENT LIABILITIES

As at 31 December 2015, the Group did not have any material contingent liabilities.

PLEDGE OF ASSETS

As at 31 December 2015, (i) the Group's certain buildings and production equipment with a net carrying amount of RMB192.4 million (2014: RMB198.7 million) and (ii) the Group's leasehold land with a carrying amount of RMB101.2 million (2014: RMB103.4 million) have been pledged to secure the Group's bank loan facilities.

As at 31 December 2015, the Group's certain restricted bank balances with a carrying amount of RMB113.2 million (2014: RMB84.3 million) were pledged to secure the Group's bank bills due within three to six months, which were issued to suppliers as a pledge for the purchase of raw materials by the Group.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 December 2015, the Group did not have other immediate plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

As disclosed in the Company's announcement dated 31 December 2014, the Group entered into an agreement to acquire the entire issued share capital and shareholder's loans of First Capital Group Limited amounted to HK$5,000,000 from a connected person, with an aggregate consideration of HK$7,138,443. The acquisition was completed on 8 June 2015.

As disclosed in the Company's announcement dated 16 April 2015, the Group entered into an agreement to acquire 51% equity of Shenzhen Juntour Migration Consultancy Service Limited and 65% equity of Shenzhen Crown Bridge Migration Consultancy Limited from an independent third party, with an aggregate consideration of RMB5,800,000. Those acquisitions were completed on 3 June 2015.

As disclosed in the Company's announcement dated 10 August 2015, Nanyang Cijan and Subscriber entered into a conditional Subscription Agreement, pursuant to which Nanyang Cijan has agreed to issue and the Subscriber has agreed to subscribe for 30% of the equity interest in Nanyang Cijan by way of capital injection into the registered capital of Nanyang Cijan at the consideration of RMB110 million in cash. The Subscription Agreement was completed on 3 November 2015. The equity interest of Nanyang Cijan is held as to 70% by the Group and 30% by the Subscriber. Nanyang Cijan becomes a non-wholly owned subsidiary of the Company.

As disclosed in the Company's announcement dated 29 December 2015, the Company, Surrich International Company Limited and New Citic International Capital Co., Ltd entered into the Joint Venture Agreement in relation to the formation of the Joint Venture, Guolian Financial Holdings Group Co., Limited (國聯金融控股集團有限公司) ("**GF Holding**"), for carrying out investment and financial service business in Hong Kong. The number of issued shares of GF Holding was 500 million shares, which were equivalent to HKD500 million. The Company, Surrich International and New Citic subscribed and owned 35%, 40% and 25% equity interest of GF Holding, respectively. In March 2016, HKD175 million has been used by the Company to subscribe for 35% shares of GF Holding.

Save as the above, for the year ended 31 December 2015, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

SIGNIFICANT INVESTMENT HELD

Except for the part of the investment of First Capital Automotive Component Industry M&A Fund L.P. as set out in note 9 to the consolidated financial statements for the year ended 31 December 2015 as set out in this announcement, the Group did not hold any significant investment as at 31 December 2015.

EQUITY FUND RAISING ACTIVITIES AND USE OF PROCEEDS

Save for the equity fund raising activity set out below, the Company had not carried out any other equity fund raising activities involving the utilisation of the general mandate granted at the annual general meeting of the Company held on 9 June 2015 and general mandate granted at EGM dated 8 December 2015.

Date of announcement	Fund raising activities	Net proceeds	Proposed used of proceed	Actual amount utilised during the year ended 31 December 2015
5 October 2015	Placing of 76,800,000 new shares of the Company at the placing price of HK$2.00 per placing share	HK$151.6 million	(i) Approximately HK$60.4 million shall be used to finance the development of investment migration advisory services and financial consultancy and advisory services of the Group;	(i) Approximately HK$42.9 million has been used to finance the development of investment migration advisory services and financial consultancy and advisory services of the Group;
			(ii) approximately HK$50.0 million shall be used for the development of financing and financial credit business; and	(ii) approximately HK$53.0 million has been used for the development of financing and financial credit business; and

Date of announcement	Fund raising activities	Net proceeds	Proposed used of proceed	Actual amount utilised during the year ended 31 December 2015
			(iii) approximately HK$41.2 million shall be used for general working capital of the Group.	(iii) approximately HK$14.8 million has been used for general working capital of the Group.
10 December 2015	Placing of 92,160,000 new shares of the Company at the placing price of HK$2.00 per placing share	HK$182.0 million	Shall be used for general working capital of the Group and/or for funding of business or investment opportunities if so arise.	Nil

FINAL DIVIDENDS

The Board does not recommend the payment of final dividend for the year ended 31 December 2015 (2014: Nil).

COMPLIANCE WITH CODE OF CORPORATE GOVERNANCE PRACTICES

For the year ended 31 December 2015, the Company has complied with code provisions of Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules so as to enhance the corporate governance standard of the Company. None of the Directors is aware of any information which would reasonably indicate that the Company was not in compliance with the CG Code during the year ended 31 December 2015.

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") pursuant to Rules 3.21 and 3.22 of the Listing Rules, with written terms of reference in compliance with the requirements of the CG Code in order to review and supervise the Group's financial reporting process and internal control. The Audit Committee comprises three independent non-executive Directors. The Audit Committee has reviewed the Group's consolidated financial statements and annual results announcement for the year ended 31 December 2015.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiries to the Directors and to the best of their knowledge, all Directors had complied with the required standards set out in the Model Code for the year ended 31 December 2015.

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors or any of their respective associates (as defined under the Listing Rules) has any interest in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, or has any other conflict of interests with the Group as at the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company for the year ended 31 December 2015.

SIGNIFICANT LEGAL PROCEEDINGS

For the year ended 31 December 2015, the Group has not been involved in any significant legal proceedings or arbitration. To the best of the knowledge and belief of the Directors, there are no significant legal proceedings or claims pending or threatened against the Group.

ANNUAL GENERAL MEETING

The Company will hold an annual general meeting (the "AGM") on Wednesday, 8 June 2016. Notice of the AGM will be published and despatched to the shareholders in accordance with the articles of association of the Company and the Listing Rules as soon as practicable.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 6 June 2016 to Wednesday, 8 June 2016, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending the upcoming AGM of the Company, all transfers accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Friday, 3 June 2016, for registration.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This results announcement is published on the websites of the Stock Exchange (**www.hkex.com.hk**) and the Company (**www.cfcg.com.hk**). The 2015 annual report of the Company will be dispatched to the shareholders on or before 30 April 2016, and will also be published on the same websites mentioned above.

APPRECIATION

The Group would like to express its sincere appreciation for the unremitted effort and dedication made by the Board, the management of the Group and all of its staff members, as well as the continuous support from the shareholders of the Company, the government, business partners, professional advisers and loyal customers.

By Order of the Board
China First Capital Group Limited
Wilson SEA
Chairman and Executive Director

Hong Kong, 28 March 2016

As at the date of this announcement, the Board comprises five executive Directors, namely Mr. Wilson Sea, Mr. Zhao Zhijun, Mr. Yan Haiting, Mr. Wang Wenbo and Ms. Yang Weixia; and three independent non-executive Directors, namely Mr. Chu Kin Wang, Peleus, Mr. Li Zhiqiang and Mr. Zhang Jinhua.