

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

Rule 4.7B

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eCargo Holdings Limited ("ECG" or the "Group") is pleased to provide its Appendix 4C cash flows report for the period ended 31 December 2015.

Overview:

For the fourth quarter of 2015, ECG generated cash flow from Merchants of HKD34.5 million, an improvement of 50% compared with the previous quarter. The commercial activity and outlook for online retail sales continues to remain positive, with Merchants showing a growing interest in expanding online operations to China, South East Asia and Australia, particularly in the FMCG market. Management believes the existing contracted Merchants shall continue to grow and make positive contributions to the Group.

Personnel costs increased HKD3 million from the previous quarter, reflecting a continued growth in headcount to support the business development and expansion, based on a strong pipeline of activity.

ECG maintained a cash balance of HKD97.3 million at the end of the quarter with net cash outflows for the quarter of HKD9.9 million, and incurred an exchange rate loss of HKD0.9 million.

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Name of entity

eCargo Holdings Limited

ARBN

601 803 069

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter HKD'000	Year-to-date HKD'000
1.1 Receipts from customers	34,487	107,610
1.2 Payments for (a) personnel costs	(18,630)	(58,092)
(b) advertising and marketing	(30)	(698)
(c) research and development	-	-
(d) leased assets	(1,206)	(4,234)
(e) other working capital	(22,234)	(102,591)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	68	973
1.5 Interest and other costs of finance paid	(16)	(77)
1.6 Income taxes paid	-	(862)
1.7 Other	-	-
Net operating cash flows	(7,561)	(57,971)

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	Current quarter HKD'000	Year to date HKD'000
1.8 Net operating cash flows (carried forward)	(7,561)	(57,971)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	(25,485)
(b) equity investments	-	(6,169)
(c) intellectual property	-	-
(d) physical non-current assets	(2,349)	(5,034)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	140
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	1,674
1.13 Other	-	-
Net investing cash flows	(2,349)	(34,874)
1.14 Total operating and investing cash flows	(9,910)	(92,845)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	-	-
1.19 Dividends paid	-	-
1.20 Other	-	-
Net financing cash flows	-	-
Net decrease in cash held	(9,910)	(92,845)
1.21 Cash at beginning of quarter/year to date	106,945	191,071
1.22 Exchange rate adjustments	270	(921)
1.23 Cash at end of quarter	97,305	97,305

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Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter HKD'000
1.24	Aggregate amount of payments to the parties included in item 1.2	411
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

1.2(d) refers to rental for the period
1.24 refers to directors remuneration for the period

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities, but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available HKD'000	Amount used HKD'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

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Reconciliation of cash

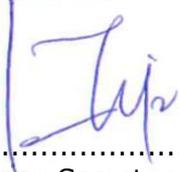
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter HKD'000	Previous quarter HKD'000
4.1 Cash on hand and at bank	97,305	106,945
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other	-	-
Total: cash at end of quarter (item 1.23)	97,305	106,945

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	Amblique Pty Limited	N/A
5.2 Place of incorporation or registration	Australia	N/A
5.3 Consideration for acquisition or disposal	AUD6,000,000	N/A
5.4 Total net assets	AUD1,812,256	N/A
5.5 Nature of business	Digital commerce consultancy	N/A

Compliance statement

- 6.1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 6.2 This statement does give a true and fair view of the matters disclosed.

Sign here:

 Company Secretary

Date: 29 Jan 2016

Print name: Irene Yip

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Notes

1. This quarterly report provides a basis for informing the market how ECG's activities have been financed for the past quarter and the effect on its cash position.
2. Item 1.2(e) – Other working capital YTD includes a foreign exchange loss of HKD10.1 million, as a result of the depreciation of AUD and RMB against HKD.
3. Item 1.9(a) – On 13 February 2015, ECG completed the acquisition of a 100% interest in Amblique, an Australian eCommerce company, for a cash consideration of AUD6.0 million (HKD36.4 million). According to Hong Kong Accounting Standard 7 (Statement of Cash Flows), the net transaction amount is presented in the cash flow statements (gross consideration less cash and cash equivalent held by Amblique as at the completion date).
4. Item 1.9(b) & 1.12 – On 28 February 2015, ECG completed the acquisition of a 20% interest in Purecomm Limited ("Purecomm"), a company registered in the United Kingdom, engaged in the provision of O2O solutions for cash consideration of GBP520,000 (approximately HKD6.2 million). As at the completion date, ECG paid GBP385,000 cash and converted GBP135,000 loans made to Purecomm to settle the acquisition consideration.
5. ECG has adopted accounting policies that comply with Hong Kong Financial Reporting Standards ("HKFRS") and the figures in this report are prepared in accordance with all applicable HKFRS. The figures disclosed in the report are in HKD, the official currency of Hong Kong, which is the functional currency of ECG.

For further information, please contact:

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About ECG

ECG is a China-based eCommerce technology and specialist execution group of companies, with operating companies in China and Australia trading under the Amblique and eCargo brands, providing on-demand digital commerce technology development and related execution capabilities for retailers and fashion brands.

Amblique is a leading digital commerce consultancy providing retail strategy, eCommerce platform implementation and optimisation services in Australia and New Zealand. eCargo acts as a "one-stop" enabling partner for designer fashion, branded apparel and retail companies seeking to sell their products online in China, Australia and around the world by providing integrated online and offline technology and supply chain solutions.

ECG connects consumers with brands online and offline through the development and marketing of eCommerce platforms, brand site transactional platforms and major marketplace platforms in China such as Alibaba Group's Tmall, Tencent's WeChat and JD.com.