



中國基礎能源控股有限公司 China Primary Energy Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
(Stock Code : 8117)



2015

First Quarterly Report

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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This report, for which the directors (the “Directors”) of CHINA PRIMARY ENERGY HOLDINGS LIMITED (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.



HIGHLIGHTS

Turnover for the three months ended 31 March 2015 was approximately HK\$32,477,000 (three months ended 31 March 2014: approximately HK\$10,376,000), representing an increase of approximately 213% from the corresponding period of last year.

Loss attributable to owners of the Company amounted to approximately HK\$11,822,000 (three months ended 31 March 2014: loss of approximately HK\$9,615,000).

The Board does not recommend the payment of any interim dividend for the three months ended 31 March 2015 (three months ended 31 March 2014: Nil).

UNAUDITED RESULTS

The board of Directors (the “Board”) of China Primary Energy Holdings Limited (the “Company”) announces the unaudited consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the three months ended 31 March 2015 together with the comparative figures as follows. The consolidated first quarterly financial statements of the Group have not been audited but have been reviewed by the audit committee of the Company.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF
PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

		Three months ended 31 March	
		2015	2014
	<i>Notes</i>	HK\$'000	HK\$'000
Turnover	2	32,477	10,376
Other income and gains and losses	3	209	(3)
Cost of sales		(28,702)	(11,795)
Staff costs, including directors' remuneration		(5,596)	(3,008)
Depreciation		(1,707)	(1,263)
Amortisation of land use rights		(199)	(192)
Amortisation of other intangible assets		(356)	–
Other operating expenses		(6,968)	(3,628)
Share of loss of an associate		(37)	–
Finance costs	4	(874)	(102)
Loss before income tax	5	(11,753)	(9,615)
Income tax	6	–	–
Loss for the period		(11,753)	(9,615)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		262	(6,693)
Other comprehensive income for the period		262	(6,693)
Total comprehensive income for the period		(11,491)	(16,308)
Loss attributable to:			
Owners of the Company		(11,822)	(9,615)
Non-controlling interests		69	–
		(11,753)	(9,615)
Total comprehensive income attributable to:			
Owners of the Company		(11,564)	(16,308)
Non-controlling interests		73	–
		(11,491)	(16,308)
			(Restated)
Basic and diluted loss per share	8	(1.44 cents)	(1.77 cents)



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

The Company is a limited liability company incorporated in the Cayman Islands, as an exempted company under the Companies Law (2001 Revision) of the Cayman Islands on 5 September 2001. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is in Hong Kong. The Company's shares are listed on the GEM of the Stock Exchange.

The principal activity of the Company is investment holding. The Group engages in the manufacture and sale of Polyethylene pipes ("PE pipes") and transmission and distribution of natural gas which operates primarily in the PRC market.

The unaudited condensed consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards issued by Hong Kong Institute of Certified Public Accountants ("HKICPA"), Hong Kong Accounting Standards ("HKASs") and interpretations (hereinafter collectively referred to as the "HKFRSs") and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange. The financial statements have been prepared under the historical cost convention except for certain financial instruments, which are measured at fair values.

The unaudited condensed consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

The accounting policies adopted in the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014.

In this reporting period, the Group had applied for the first time, a number of new HKFRSs issued by the HKICPA that are effective for accounting periods beginning on or after 1 January 2015. The adoption of the new HKFRSs has had no material effect on how the results and financial position for the current or prior accounting periods as prepared and presented.

2. TURNOVER

Turnover, which is also revenue, represents the net invoiced amounts received and receivable for sales of PE pipes and natural gas to customers. An analysis of the Group's turnover is as follows:

	Three months ended 31 March	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Sale of PE pipes	9,174	10,376
Transmission and distribution of natural gas	23,303	—
	<u>32,477</u>	<u>10,376</u>

3. OTHER INCOME AND GAINS AND LOSSES

	Three months ended 31 March	
	2015 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)
Bank interest income	8	20
Gain on disposal of investments held for trading	—	—
Investment income from unlisted investment funds	—	—
Fair value gain/(loss) on investments held for trading	19	(91)
Sundry income	182	68
	<u>209</u>	<u>(3)</u>



4. FINANCE COSTS

	Three months ended 31 March	
	2015	2014
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Interest expenses on a short term bank loan	307	–
Interest expenses on borrowings	567	102
	<u>874</u>	<u>102</u>

5. LOSS BEFORE INCOME TAX

	Three months ended 31 March	
	2015	2014
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Loss before income tax is arrived after charging:		
Minimum lease payments under operating lease charges in respect of land and buildings	738	490
Depreciation (<i>Note</i>)		
– Owned	4,003	3,454
– Held under finance leases	20	–
	<u>4,741</u>	<u>3,944</u>

Note: Depreciation charge included an amount of HK\$2,316,000 (three months ended 31 March 2014: HK\$2,191,000) recognised as cost of sales for the periods under review.

6. INCOME TAX

Income tax in the unaudited condensed consolidated statement of profit or loss and other comprehensive income represents:

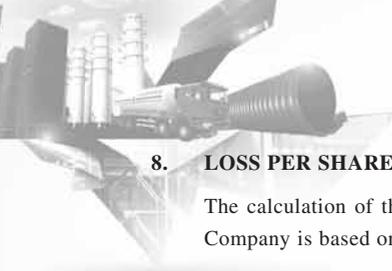
	Three months ended 31 March	
	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Income tax for the period	—	—
	<u> </u>	<u> </u>

No provision has been made for Hong Kong profits tax as the Group has no assessable profit arising from Hong Kong during the current and prior periods.

In accordance with the PRC Enterprise Income Tax Law approved by the National People's Congress on 16 March 2007 and became effective from 1 January 2008, the Group's subsidiaries in the PRC are subject to enterprise income tax ("EIT") at the unified EIT rate of 25%.

7. DIVIDEND

The board of directors does not recommend the payment of any interim dividend for the three months ended 31 March 2015 (three months ended 31 March 2014: Nil).



8. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

	Three months ended 31 March	
	2015	2014
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Loss:		
Loss for the purposes of basic and diluted loss per share	11,822	9,615

	Three months ended 31 March	
	2015	2014
	<i>'000</i>	<i>'000</i>
		(Restated)
Number of shares:		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	820,898	543,241

Diluted loss per share for the three months ended 31 March 2015 and 2014 are same as the basic loss per share as there were no dilutive potential ordinary shares in issue for periods under review.

9. UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Equity attributable to owners of the Company								Total equity
	Share capital	Share premium account	Convertible bonds reserve	Statutory surplus reserve	Available-for-sale financial assets reserve	Exchange translation reserve	Accumulated losses	Non-controlling interests	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2014	30,180	443,564	17,922	5,110	1,564	81,656	(365,918)	33,905	247,983
Loss for the period	-	-	-	-	-	-	(9,615)	-	(9,615)
Other comprehensive income	-	-	-	-	-	(6,693)	-	-	(6,693)
Total comprehensive income	-	-	-	-	-	(6,693)	(9,615)	-	(16,308)
Balance at 31 March 2014	30,180	443,564	17,922	5,110	1,564	74,963	(375,533)	33,905	231,675

	Equity attributable to owners of the Company								Total equity
	Share capital	Share premium account	Convertible bonds reserve	Statutory surplus reserve	Available-for-sale financial assets reserve	Exchange translation reserve	Accumulated losses	Non-controlling interests	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1 January 2015	51,306	510,993	-	5,179	-	64,528	(394,670)	9,009	246,345
Loss for the period	-	-	-	-	-	-	(11,822)	69	(11,753)
Other comprehensive income	-	-	-	-	-	258	-	4	262
Total comprehensive income	-	-	-	-	-	258	(11,822)	73	(11,491)
Balance at 31 March 2015	51,306	510,993	-	5,179	-	64,786	(406,492)	9,082	234,854



MANAGEMENT DISCUSSION AND ANALYSIS

Business review and future outlook

Turnover of the Group for the three months ended 31 March 2015 increased when compared to the corresponding period in 2014. Such significant increase was mainly because the turnover of the Polyethylene pipes (“PE pipes”) business was sustained and the turnover of the natural gas business was not included in the Group in the corresponding period in 2014. The board of directors (the “Board”) believes that turnover of the Group will be further improved with the new natural gas business and anticipated improvement of the PE pipes business. In turn, the result of the Group will be improved accordingly.

The business segment of the PE pipes has been the one of the core businesses of the Group during the period under review and continued as one of the main businesses of the Group in 2015. The PE pipes are products used for construction and city development in the People’s Republic of China (the “PRC”). The Group’s major customers are the government and public entities, or their suppliers, from different provinces and cities in the PRC. Due to low turnover and relatively high production fixed costs, the gross margin was not meeting target. However, with the anticipated higher turnover under continuous improvement of turnover and a strengthened customer portfolio, gross margin of the PE pipes business will definitely improve in the later part of 2015 and in the long term.

In view of the policy to use clean energy in the PRC, the prospect of natural gas business is very bright. Natural gas is now using for industrial, domestic and transportation purposes and it has a trend to replace ordinary energies like coal and petrol. With the acquisition of Fujian China Primary Energy Limited# (福建中基能源有限公司), Ningguo Ruide Natural Gas Company Limited# (寧國瑞德天然氣有限公司) and the formation of China Primary Blueprint (Shenzhen) Energy Limited# (中基藍印(深圳)能源有限公司) in the year 2014, the natural gas business is heading towards the right direction. On the other hand, the acquisition of Wuhu Shengyuteng Natural Gas Pipeline Company Limited# (蕪湖盛譽騰天然氣管道有限公司) will be completed in 2015. As a result, the natural gas business is expanding and will become the most significant business of the Group in the near future.

In the meantime, the Board has been exploring possible investing opportunities to increase the Company's value.

Proposed issue of the Convertible Bonds

On 17 February 2015, the Company entered into the conditional subscription agreement (the "Subscription Agreement") with Golden Peak Minerals Limited (the "Subscriber"), pursuant to which the Subscriber has conditionally agreed to subscribe for and the Company has conditionally agreed to issue the five-year 4.5% coupon unlisted convertible bonds in principal amount of HK\$60,000,000 (the "Convertible Bonds").

Based on the initial conversion price of HK\$1.00 (the "Conversion Price") per conversion share, a maximum number of 60,000,000 conversion shares (the "Conversion Shares") will be allotted and issued upon exercise of the conversion rights attached to the Convertible Bonds in full, which represent: (i) approximately 7.31% of the issued share capital of the Company as at the date of the Subscription Agreement; and (ii) approximately 6.81% of the issued share capital of the Company as to be enlarged by the allotment and issue of the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds in full. The net proceeds of the subscription of approximately HK\$59,400,000 will be applied towards appropriate acquisition and investment opportunities of the Group and the considerations thereof and working capital of the Group.

The Convertible Bonds shall not be converted into conversion shares for the period from the date of issue of the Convertible Bonds to the date falling three years after the issue of the Convertible Bonds.



The Conversion Price is initially HK\$1.00 per Conversion Share, subject to adjustment for subdivision or consolidation of shares, rights issue, stock or cash distribution other than out of distributable profits of the Company, and other dilutive events (which are general anti-dilution adjustments).

Details are set out in the announcements dated 17 February 2015 and 8 April 2015 and the circular dated 11 March 2015 of the Company.

The Convertible Bonds were allotted and issued on 8 May 2015.

Grant of share options

On 10 April 2015, the Board had resolved to grant share options (the “Options”) to certain individuals (the “Grantees”) to subscribe for a total of 81,720,000 ordinary shares of HK\$0.0625 each (with exercise price of HK\$0.87 per share) in the share capital of the Company, subject to acceptance of the Grantees, under the share option scheme adopted by the Company on 8 May 2012 and the payment of HK\$1.00 by each of the Grantees upon acceptance of the Options.

Details are set out in the announcement dated 10 April 2015 of the Company.

Financial review

Turnover was approximately HK\$32,477,000 for the three months ended 31 March 2015, which represented an increase of approximately 213% when compared with approximately HK\$10,376,000 in the corresponding period of last year. The Board believes that turnover of the Group will be further improved with the new natural gas business and anticipated improvement of the PE pipes business.

For the three months ended 31 March 2015, unaudited loss before income tax was approximately HK\$11,753,000 (three months ended 31 March 2014: loss of approximately HK\$9,615,000). The loss attributable to owners of the Company was approximately HK\$11,822,000 (three months ended 31 March 2014: loss of approximately HK\$9,615,000). In the current economic environment, the Board will continue to exercise stringent cost control and maintain a low and effective overheads structure and prudently utilise the Group's corporate resources to create wealth for the shareholders of the Company.

Liquidity and financial resources

As at 31 March 2015, the Directors anticipated that the Group has adequate financial resources to meet its ongoing operations and future development.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

As at 31 March 2015, the interests and short positions of the directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules, were as follows:

The approximate percentage of interest set out below is based on 820,897,672 ordinary shares in issue as at 31 March 2015.



Long position in the ordinary shares of HK\$0.0625 each in the Company as at 31 March 2015:

Name of Director	Type of interests	Number of ordinary shares held	
		Number of ordinary shares	Approximate percentage of interests
Ms. Ma Zheng	Beneficial	343,701,632	41.87%

Save as disclosed above, as at 31 March 2015, none of the directors and chief executive of the Company had any other interests or short positions in the shares or underlying shares in, or debentures of, the Company or its associated corporations, within the meaning of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

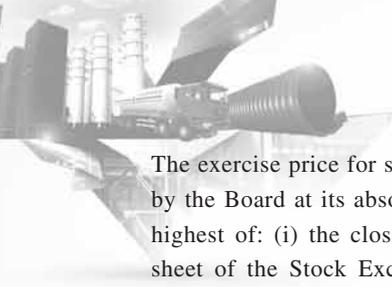
SHARE OPTION

On 8 May 2012, a new share option scheme (the “Share Option Scheme”) was adopted by the shareholders of the Company. The purpose of the Share Option Scheme is to provide incentives and rewards to eligible participants who would contribute to the success of the Group’s operations. Under the terms of the Share Option Scheme, the Board may, at its discretion, grant options to any full-time employee and any Director of the Company or its subsidiaries, including any executive, non-executive or independent non-executive directors. The total number of shares which may fall to be issued upon exercise of all of the outstanding options granted and yet to be exercised under the Share Option Scheme and other schemes of the Company must not exceed 30% of the shares in issue from time to time. The Share Option Scheme will remain in force for a period of ten years commencing the date on which the scheme becomes unconditional.

The Share Option Scheme was adopted by the shareholders of the Company at the annual general meeting of the Company held on 8 May 2012.

The definition of eligible person in the Share Option Scheme include any suppliers, consultants, agents, advisors and distributors who, in the sole discretion of the Board, have contributed or may contribute to the Group. The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 10% of the shares of the Company in issue as at the date of approval of the Share Option Scheme, without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point of time, without prior approval from the Company's shareholders.

Where options are proposed to be granted to a connected person who is also a substantial shareholder or an independent non-executive Director or their respective associates and if such grant would result in the total number of shares issued and to be issued upon exercise of the options granted and to be granted (including options exercised, cancelled and outstanding) in any 12-month period up to and including the date of grant to such person representing in aggregate over 0.1% of the total issued shares and having an aggregate value, based on the closing price of the securities at the date of each grant, in excess of HK\$5 million, then the proposed grant must be subject to the approval of shareholders of the Company taken on a poll in a general meeting. All connected persons of the Company must abstain from voting at such general meeting.



The exercise price for shares under the Share Option Scheme may be determined by the Board at its absolute discretion but in any event will not be less than the highest of: (i) the closing price of the shares as stated in the daily quotations sheet of the Stock Exchange on the date of grant, which must be a Business Day, (ii) the average of the closing prices of the shares as stated in the daily quotations sheets of the Stock Exchange for the five Business Days immediately preceding the date of grant; and (iii) the nominal value of the share on the date of grant. Any options granted under the Share Option Scheme shall end in any event not later than ten years from the Commencement Date (as defined in the Share Option Scheme). A nominal value of HK\$1.00 is payable on acceptance of each grant of options.

No share options were granted by the Company and no share options were exercised or lapsed during the period under review.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

The register of substantial shareholders maintained under Section 336 of the SFO shows that as at 31 March 2015, the Company had been notified that the following substantial shareholders having the following interests and short positions, being 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, in the Company. These interests are shown in addition to those disclosed above in respect of the Directors and chief executives:

The approximate percentage of interest set out below is based on 820,897,672 ordinary shares in issue as at 31 March 2015.

Long position in the ordinary shares of HK\$0.0625 each in the Company as at 31 March 2015:

Name of shareholders	Type of interests	Number of shares held	Approximate percentage of interests
Ms. Guo Xiuqin	Corporate	121,937,678	14.85%
Tung Shing Energy Investment Limited	Corporate	121,937,678	14.85%
Excel Sino Investments Limited	Beneficial (Note)	121,937,678	14.85%

Note: Excel Sino Investments Limited, a company incorporated in the British Virgin Islands, is beneficially owned as to 80% by Tung Shing Energy Investment Limited, a company incorporated in the British Virgin Islands (which in turn is 100% beneficially owned by Ms. Guo Xiuqin), and as to the remaining 20% by an independent investor. Tung Shing Energy Investment Limited and Ms. Guo Xiuqin are deemed to be interested in 121,937,678 shares.

Save as disclosed above, as at 31 March 2015, the Directors are not aware of any other person (other than the Directors or chief executive of the Company) who had an interest or short position in the shares and underlying shares which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or who had an interest, directly or indirectly, in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, or any other substantial shareholders whose interests or short position were recorded in the register required to be kept by the Company under Section 336 of the SFO.



DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the period was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or their respective spouse or children under 18 years of age to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

COMPETITION AND CONFLICT OF INTERESTS

During the period under review, none of the Directors, significant shareholders, substantial shareholders and any of their respective associates had been engaged in any business that competed or might compete directly or indirectly, with the business of the Group, or had or might have any other conflicts of interest with the Group.

AUDIT COMMITTEE

The Company established an audit committee (the “Audit Committee”) with written terms of reference in compliance with Rules 5.28 and 5.29 of the GEM Listing Rules. The primary role and function of the Audit Committee, among other things, are to (i) review the financial controls, internal controls and risk management systems of the Group; (ii) review and monitor the external auditors’ independence and objectivity and the effectiveness of the audit process in accordance with applicable standard; and (iii) review the financial statements and the quarterly, interim and annual reports of the Group. During the period under review, the Audit Committee comprises three members, Mr. Wan Tze Fan Terence, Mr. Chung Chin Keung and Mr. Wang Xiao Bing who are the independent non-executive Directors of the Company. The Audit Committee has reviewed the Group’s unaudited results for the three months ended 31 March 2015 and has provided advice and comments thereon.

REMUNERATION COMMITTEE

The remuneration committee of the Company (the “Remuneration Committee”) was established on 1 June 2005. The primary role and function of the Remuneration Committee is to consider and recommend to the Board on the Group’s remuneration policy and structure for the remuneration of all executive Directors and senior management and to review and determine the remuneration packages of the executive Directors and senior management. During the period under review, the Remuneration Committee comprises three members, Mr. Wan Tze Fan Terence, Mr. Chung Chin Keung and Mr. Wang Xiao Bing who are the independent non-executive Directors of the Company.

NOMINATION COMMITTEE

The nomination committee of the Company (the “Nomination Committee”) was established on 22 March 2012. The primary role and function of the Nomination Committee, among other things, are to (i) review the structure, size and composition of the Board at least once a year and make recommendations on any proposed changes to the Board to complement the Company’s corporate strategy; (ii) assess the independence of the independent non-executive Directors; and (iii) make recommendations to the Board on appointment and re-appointment of Directors. During the period under review, the Nomination Committee comprises three members, Mr. Wan Tze Fan Terence, Mr. Chung Chin Keung and Mr. Wang Xiao Bing who are the independent non-executive Directors of the Company.



PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company had not redeemed any of its ordinary shares during the three months ended 31 March 2015. Neither the Company nor any of its subsidiaries had purchased or sold any of the Company's ordinary shares during the three months ended 31 March 2015.

By Order of the Board
China Primary Energy Holdings Limited
Ma Zheng
Chairman

Hong Kong, 12 May 2015

* *The English translation of Chinese names or words in this report, where indicated, is included for information purpose only, and should not be regarded as the official English translation of such Chinese names and words.*

As at the date of this report, the Board comprises Ms. MA Zheng and Mr. WONG Pui Yiu who are the executive Directors, and Mr. WAN Tze Fan Terence, Mr. CHUNG Chin Keung and Mr. WANG Xiao Bing who are the independent non-executive Directors.