CULTURE LANDMARK INVESTMENT LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 674)

ANNOUNCEMENT OF THE FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2017

FINAL RESULTS

The board (the "**Board**") of directors (the "**Directors**") of Culture Landmark Investment Limited (the "**Company**", together with its subsidiaries, collectively, the "**Group**") announces the consolidated results of the Group for the year ended 31 March 2017 with comparative figures for the previous year as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2017

	Notes	**2017** *HK$*	2016 *HK$* (re-presented)
Continuing operations			
Revenue	*3*	**81,280,068**	112,826,913
Other income and gains		**8,354,866**	20,069,954
Costs of inventories		**(58,643)**	(1,744,778)
Depreciation on property, plant and equipment		**(13,803,538)**	(14,949,958)
Amortisation	*4*	**(116,883)**	(116,883)
Impairment losses	*4*	**(4,061,787)**	(40,453,246)
Operating lease payments		**(34,343,198)**	(41,151,417)
Staff costs		**(38,152,246)**	(46,047,344)
Other operating expenses		**(84,248,527)**	(90,825,194)
Finance costs		**(3,196,095)**	(3,371,646)
Loss before income tax expense	*4*	**(88,345,983)**	(105,763,599)
Income tax expense	*6*	**(830,271)**	(765,325)
Loss for the year from continuing operations		**(89,176,254)**	(106,528,924)
Discontinued operation			
Loss for the year from discontinued operation	*5*	**(4,940,151)**	(27,283,120)
Loss for the year		**(94,116,405)**	(133,812,044)

	Notes	2017 HK$	2016 HK$ (re-presented)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Gain on revaluation of properties		**2,979,933**	575,037
Tax expense related to changes on revaluation of properties		**(491,690)**	(94,881)
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translating foreign operations		**(3,686,046)**	(5,054,461)
Available-for-sale investments, change in fair value		**9,140,976**	11,089,281
Release of foreign exchange reserve upon disposal of subsidiaries		**—**	(231,378)
Reclassification adjustment for realisation upon disposal of available-for-sale investments		**—**	(14,266,465)
Other comprehensive income for the year, net of tax		**7,943,173**	(7,982,867)
Total comprehensive income for the year		**(86,173,232)**	(141,794,911)
Loss for the year attributable to:			
Owners of the Company			
— Continuing operations	*8*	**(87,335,873)**	(107,608,604)
— Discontinued operation		**(2,519,477)**	(23,725,889)
Loss for the year attributable to owners of the Company	*8*	**(89,855,350)**	(131,334,493)
Non-controlling interests			
— Continuing operations		**(1,840,381)**	1,079,680
— Discontinued operation		**(2,420,674)**	(3,557,231)
Loss for the year attributable to non-controlling interests		**(4,261,055)**	(2,477,551)
		(94,116,405)	(133,812,044)
Total comprehensive income for the year attributable to:			
Owners of the Company		**(81,653,817)**	(139,472,414)
Non-controlling interests		**(4,519,415)**	(2,322,497)
		(86,173,232)	(141,794,911)
			(restated)
Loss per share from continuing and discontinued operations	*8*		
Basic (HK cents)		**(8.93)**	(16.44)
Diluted (HK cents)		**(8.93)**	(16.44)
Loss per share from continuing operations	*8*		
Basic (HK cents)		**(8.68)**	(13.47)
Diluted (HK cents)		**(8.68)**	(13.47)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2017

	Notes	**31 March 2017 HK$**	31 March 2016 HK$
Assets			
Non-current assets			
Property, plant and equipment		**74,930,895**	100,521,045
Investment properties		**6,538,977**	6,246,653
Intangible assets		**788,962**	905,845
Interests in associates		**—**	38,754,055
Available-for-sale investments		**50,367,334**	43,087,358
Total non-current assets		**132,626,168**	189,514,956
Current assets			
Inventories		**29,735,020**	32,556,941
Trade and other receivables	9	**139,945,887**	73,317,428
Amounts due from non-controlling shareholders of subsidiaries		**14,053**	14,049
Amounts due from related parties		**270,614**	3,707,915
Amount due from an associate		**—**	5,320,302
Cash and bank balances		**64,645,440**	103,035,471
		234,611,014	217,952,106
Assets classified as held for sale	11	**40,855,423**	—
Total current assets		**275,466,437**	217,952,106
Total assets		**408,092,605**	407,467,062
Liabilities			
Current liabilities			
Trade, bills and other payables	10	**122,522,946**	128,606,060
Amounts due to non-controlling shareholders of subsidiaries		**47,667,960**	53,594,160
Amounts due to related parties		**31,898,038**	27,051,879
Amount due to ultimate holding company		**3,267,530**	—
Bank borrowings		**51,401,458**	50,702,070
Provision for long service payments		**42,373**	—
Deferred income		**—**	480,048
Current tax liabilities		**538,577**	2,808,177
		257,338,882	263,242,394

	Notes	31 March 2017 HK$	31 March 2016 HK$
Liabilities associated with assets classified as held for sale	*11*	**16,013,447**	—
Total current liabilities		**273,352,329**	263,242,394
Net current assets/(liabilities)		**2,114,108**	(45,290,288)
Total assets less current liabilities		**134,740,276**	144,224,668
Non-current liabilities			
Bank borrowings		—	18,001,800
Provision for long service payments		—	42,373
Deferred income		—	3,063,101
Deferred tax liabilities		**356,455**	6,645,278
Total non-current liabilities		**356,455**	27,752,552
Total liabilities		**273,708,784**	290,994,946
NET ASSETS		**134,383,821**	116,472,116
Capital and reserves attributable to owners of the Company			
Share capital		**53,888,928**	35,925,952
Reserves		**87,360,249**	82,505,179
Reserve of a disposal group held for sale	*11*	**(386,926)**	—
		140,862,251	118,431,131
Non-controlling interests		**(6,478,430)**	(1,959,015)
TOTAL EQUITY		**134,383,821**	116,472,116

Notes

1. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRSs**"), Hong Kong Accounting Standards ("**HKASs**") and Interpretations (hereinafter collectively referred to as the "**HKFRS**") issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis except for certain properties and available-for-sale investments, which are measured at revalued amount or fair value.

(c) Functional and presentation currency

The financial statements are presented in Hong Kong dollars ("**HK$**"), which is the same as the functional currency of the Company.

2. ADOPTION OF NEW OR REVISED HKFRSs AND AMENDED LISTING RULES

(a) Adoption of revised HKFRSs — effective on 1 April 2016

HKFRSs (Amendments)	Annual Improvements 2012-2014 Cycle
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation

The adoption of these revised HKFRSs has no material impact on the Group's financial statements.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements have been issued, but are not yet effective for the financial year beginning on 1 April 2016 and have not yet been early adopted by the Group.

HKFRSs (Amendments)	Annual Improvements 2014 – 2016 Cycle[1]
Amendments to HKAS 7	Disclosure Initiative[2]
Amendments to HKAS 12	Recognition of Deferred Tax Asset for Unrealised Losses[2]
Amendments to HKAS 40	Transfers of Investment Property[3]
Amendments to HKFRS 2	Classification and Measurement of Share-Based Payment Transactions[3]
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]

HKFRS 9	Financial Instruments[3]
HKFRS 15	Revenue from Contracts with Customers[3]
Amendments to HKFRS 15	Revenue from Contracts with Customers (Clarifications to HKFRS 15)[3]
HKFRS 16	Leases[4]

1 Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate

2 Effective for annual periods beginning on or after 1 January 2017

3 Effective for annual periods beginning on or after 1 January 2018

4 Effective for annual periods beginning on or after 1 January 2019

5 The amendments were originally intended to be effective for periods beginning on or after 1 January 2016. The effective date has now been deferred/removed. Early application of the amendments continues to be permitted.

The Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the Directors so far concluded that the application of these new/revised HKFRSs will have no material impact on the Group's financial statements.

3. SEGMENT REPORTING

Management determines operating segments based on the reports regularly reviewed by the chief operating decision maker, which is the Board of Directors, in assessing performance and allocating resources. The chief operating decision maker considers the business primarily on the basis of the types of services supplied by the Group. During the year ended 31 March 2017, the Group has re-organised its internal reporting structure so as to enhance the operational efficiency. The segments of property sub-leasing and property development and investment have been grouped into property sub-leasing, development and investment business. The money lending business has been included as a new operating segment as the Group continued to develop the money lending business in Hong Kong. Accordingly, the comparative segment information has been re-presented to conform to current year's segment. The Group is currently re-organised into seven operating divisions — licence fee collection and provision of intellectual property enforcement services business, exhibition-related business, property sub-leasing, development and investment business, entertainment business, food and beverages, money lending business and sludge and sewage treatment.

Principal activities are as follows:

Licence fee collection and provision of intellectual property enforcement services business	—	operation of the business of the licences of copyright to karaoke music products and provision of intellectual property enforcement services in the People's Republic of China ("**PRC**") as managed by China Music Video Collective Management Association*（中國音像著作權集體管理協會）(the "**MVCM Association**")
Exhibition-related business	—	organising all kinds of exhibition events and meeting events
Property sub-leasing, development and investment business	—	sub-leasing, development of real estates and leasing of investment properties
Entertainment business	—	provision of talent management and entertainment and travelling related services
Food and beverages	—	sale of food and beverages and restaurant operations
Money lending business	—	provision of loans to customers, including individual and corporations under the provisions of Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) in Hong Kong
Sludge and sewage treatment	—	operation of sludge and sewage treatment plants in the PRC

Segment information is presented below:

(a) Information about reportable segment revenue, profit or loss, assets and liabilities and other information

	2017									
	Continuing operations								Discontinued operation	
	License fee collection and provision of intellectual property enforcement services business *HK$*	Exhibition-related business *HK$*	Property sub-leasing, development and investment business *HK$*	Entertainment business *HK$*	Food and beverages *HK$*	Money lending business *HK$*	Inter-segment elimination *HK$*	Sub-total *HK$*	Sludge and sewage treatment *HK$*	Total *HK$*
Reportable segment revenue										
External sales	2,213,047	42,726,307	32,369,742	372,275	55,752	3,542,945	–	81,280,068	–	81,280,068
Inter-segment sales	–	–	–	–	2,001,422	–	(2,001,422)	–	–	–
	2,213,047	42,726,307	32,369,742	372,275	2,057,174	3,542,945	(2,001,422)	81,280,068	–	81,280,068
Reportable segment (loss)/profit before income tax expense	(2,541,597)	(4,075,577)	(402,039)	(510,967)	(361,420)	2,972,648	–	(4,918,952)	(4,927,585)	(9,846,537)
Other segment information										
Interest income	469,341	117,377	56,744	294	1	657	–	644,414	6,293	650,707
Interest expenses	–	–	2,264,234	–	–	–	–	2,264,234	–	2,264,234
Depreciation of property, plant and equipment	743,838	407,254	10,033,715	179,005	379,933	–	–	11,743,745	–	11,743,745
Loss on disposal of property, plant and equipment	–	68,541	1,146,112	–	–	–	–	1,214,653	–	1,214,653
Impairment loss on trade and other receivables	–	–	4,043,163	–	–	–	–	4,043,163	509,001	4,552,164
Share of losses of associates	–	–	–	–	–	–	–	–	4,613,445	4,613,445
Loss on disposal of subsidiaries	–	–	–	1,400	–	–	–	1,400	–	1,400
Reportable segment assets	38,070,022	24,957,087	92,226,814	3,017,522	43,740,314	95,479,847	–	297,491,606	40,855,423	338,347,029
Expenditure for reportable segment non-current assets	–	11,860	3,383,843	–	–	–	–	3,395,703	–	3,395,703
Reportable segment liabilities	74,532,858	8,729,964	112,476,299	5,853,450	1,157,427	51,000	–	202,800,998	16,013,447	218,814,445

	2016									
	Continuing operations								Discontinued operation	
	License fee collection and provision of intellectual property enforcement services business *HK$*	Exhibition-related business *HK$*	Property sub-leasing, development and investment business *HK$*	Entertainment business *HK$*	Food and beverages *HK$*	Money lending business *HK$*	Inter-segment elimination *HK$*	Sub-total *HK$*	Sludge and sewage treatment *HK$*	Total *HK$*
Reportable segment revenue										
External sales	12,810,708	54,602,737	44,243,143	297,885	22,596	849,844	–	112,826,913	–	112,826,913
Inter-segment sales	–	–	–	–	525,929	–	(525,929)	–	–	–
	12,810,708	54,602,737	44,243,143	297,885	548,525	849,844	(525,929)	112,826,913	–	112,826,913
Reportable segment (loss)/profit before income tax expense	(36,519,775)	(2,500,457)	3,566,523	(1,711,758)	(3,142,087)	(21,360)	–	(40,328,914)	(27,283,120)	(67,612,034)
Other segment information										
Interest income	51,466	107,018	55,742	670	1	19	–	214,916	5,512	220,428
Interest expenses	–	–	3,055,994	–	–	–	–	3,055,994	–	3,055,994
Depreciation of property, plant and equipment	1,703,623	484,870	9,513,368	178,667	275,037	–	–	12,155,565	1,019,554	13,175,119
Amortisation of intangible assets	–	–	–	–	–	–	–	–	327,009	327,009
(Loss)/gain on disposal of property, plant and equipment	(89,671)	–	662,913	–	–	–	–	573,242	(1,269,887)	(696,645)
Impairment loss on trade and other receivables	37,739,942	–	2,670,019	–	–	–	–	40,409,961	821,061	41,231,022
Impairment loss on property, plant and equipment	–	–	–	–	–	–	–	–	993,162	993,162
Written down of inventories to net realisable value	–	–	–	–	–	–	–	–	193,260	193,260
Impairment loss on goodwill	–	–	–	–	–	–	–	–	20,023,466	20,023,466
Impairment loss on intangible assets	–	–	–	–	–	–	–	–	285,882	285,882
Share of losses of associates	–	–	–	–	–	–	–	–	167,356	167,356
(Loss)/gain on disposal of subsidiaries	–	–	(34,217)	76,375	(2,699,519)	–	–	(2,657,361)	–	(2,657,361)
Reportable segment assets	40,974,167	29,630,011	124,337,887	12,519,736	35,495,382	28,934,715	–	271,891,898	45,740,393	317,632,291
Expenditure for reportable segment non-current assets	–	6,706	2,788,108	–	–	–	–	2,794,814	4,011,949	6,806,763
Reportable segment liabilities	81,987,713	9,206,635	143,064,881	5,720,336	605,927	51,000	–	240,636,492	15,640,470	256,276,962

(b) Reconciliation of reportable segment profit or loss, assets and liabilities

Loss before income tax expense

	2017	2016
	HK$	*HK$*
		(re-presented)
Reportable segment loss before income tax expense	**(4,918,952)**	(40,328,914)
Unallocated gain on disposal of available-for-sale investments	**—**	14,266,465
Unallocated (loss)/gain on disposal of subsidiaries	**(4,632)**	83,164
Unallocated loss on disposal of property, plant and equipment	**(454,097)**	—
Unallocated interest income and other income	**461,377**	2,279,402
Unallocated amortisation of intangible assets	**(116,883)**	(116,883)
Unallocated impairment loss on trade and other receivables	**(18,624)**	(43,285)
Unallocated finance costs	**(931,861)**	(315,652)
Unallocated staff costs	**(25,292,133)**	(31,343,890)
Unallocated rent, rates and management fee	**(21,937,033)**	(21,026,904)
Unallocated depreciation of property, plant and equipment	**(2,059,793)**	(2,794,393)
Unallocated head office and corporate expenses *(note)*	**(33,073,352)**	(26,422,709)
Loss before income tax expense from continuing operating	**(88,345,983)**	(105,763,599)

Note:

Unallocated head office and corporate expenses mainly include professional and consultancy fees, administrative expenses and business development expenses.

Assets

	2017	2016
	HK$	*HK$*
		(re-presented)
Reportable segment assets	**338,347,029**	317,632,291
Property, plant and equipment	**3,242,771**	5,279,167
Available-for-sale investments	**50,367,334**	43,087,358
Trade and other receivables	**9,518,152**	10,442,256
Cash and cash equivalents	**5,610,107**	29,920,545
Unallocated head office and corporate assets	**1,007,212**	1,105,445
Total assets	**408,092,605**	407,467,062

Liabilities

	2017	2016
	HK$	*HK$*
		(re-presented)
Reportable segment liabilities	**218,814,445**	256,276,962
Bank borrowings	**30,000,000**	30,000,000
Deposits received from disposal of subsidiaries	**16,000,000**	—
Unallocated head office and corporate liabilities	**8,894,339**	4,717,984
Total liabilities	**273,708,784**	290,994,946

(c) Geographical information

The Group's operations are mainly located in Hong Kong, the PRC and Korea.

An analysis of the Group's geographical segments is set out as follows:

	2017			
	Hong Kong	**The PRC**	**Korea**	**Total**
	HK$	***HK$***	***HK$***	***HK$***
Revenue	**3,661,954**	**77,309,096**	**309,018**	**81,280,068**
Non-current assets other than financial instruments and deferred tax assets	**15,332,084**	**58,629,996**	**8,296,754**	**82,258,834**

	2016			
	Hong Kong	The PRC	Korea	Total
	HK$	*HK$*	*HK$*	*HK$*
	(re-presented)			(re-presented)
Revenue	1,000,546	111,656,588	169,779	112,826,913
Non-current assets other than financial instruments and deferred tax assets	14,896,200	122,629,353	8,902,045	146,427,598

4. LOSS BEFORE INCOME TAX EXPENSE

Loss before income tax expense is arrived at after charging:

	2017	2016
	HK$	*HK$*
		(re-presented)
Continuing operations		
Amortisation on:		
— intangible assets	**116,883**	116,883
Fair value loss on investment properties	**—**	79,897
Losses on disposal of subsidiaries, net	**6,032**	2,574,197
Loss on disposal of property, plant and equipment	**1,668,750**	696,645
Impairment losses on:		
— trade and other receivables	**4,061,787**	40,453,246
Written down of inventories to net realisable value	**—**	193,260
Auditor's remuneration	**1,788,000**	1,788,000
Discontinued operation		
Amortisation on:		
— intangible assets	**—**	327,009
Impairment losses on:		
— trade and other receivables	**509,001**	821,061
— goodwill	**—**	20,023,466
— intangible assets	**—**	285,882
— property, plant and equipment	**—**	993,162
	509,001	22,123,571

5. DISCONTINUED OPERATION

During the year ended 31 March 2017, the sludge and sewage treatment business of the Group is classified as held for sale in order to enable the Group to realise its investment in the business and to focus on its existing business and business development (see note 11 for details).

The results of the sludge and sewage treatment business for the year ended 31 March 2017 and for the period from 5 August 2015 (date of acquisition) to 31 March 2016 are as follows:

	Year ended 31 March 2017 *HK$*	Period from 5 August 2015 (date of acquisition) to 31 March 2016 *HK$*
Other income and gains	**2,736,003**	5,512
Cost of inventories	—	(193,260)
Depreciation on property, plant and equipment	—	(1,019,554)
Amortisation	—	(327,009)
Impairment losses	**(509,001)**	(22,123,571)
Operating lease payments	**(588,973)**	(464,581)
Other operating expenses	**(662,758)**	(1,975,273)
Staff costs	**(1,289,411)**	(1,018,028)
Share of losses of associates	**(4,613,445)**	(167,356)
Loss before income tax expense	**(4,927,585)**	(27,283,120)
Income tax expense	**(12,566)**	—
Loss for the year/period	**(4,940,151)**	(27,283,120)
Operating cash outflows	**(66,710)**	(4,532,415)
Investing cash inflows	**1,937,284**	10,036
Total cash inflows/(outflows)	**1,870,574**	(4,522,379)

For the purpose of presenting discontinued operation, the comparative consolidated statement of comprehensive income and the related notes have been re-presented as if the operation discontinued during the year had been discontinued at the beginning of the comparative year.

6. INCOME TAX EXPENSE

The amount of income tax expense in the consolidated statement of comprehensive income represents:

	Continuing operations		Discontinued operation		Total	
	2017	2016	**2017**	2016	**2017**	2016
	HK$	*HK$*	***HK$***	*HK$*	***HK$***	*HK$*
Current tax — Hong Kong profits tax						
— over-provision in respect of prior years	**—**	768	**—**	—	**—**	768
	—	768	**—**	—	**—**	768
Current tax — PRC Enterprise Income Tax						
— tax for the year	**(125,159)**	(60,981)	**(12,566)**	—	**(137,725)**	(60,981)
	(125,159)	(60,981)	**(12,566)**	—	**(137,725)**	(60,981)
Deferred tax	**(705,112)**	(705,112)	**—**	—	**(705,112)**	(705,112)
	(830,271)	(765,325)	**(12,566)**	—	**(842,837)**	(765,325)

No Hong Kong profits tax has been provided within the Group as there is no estimated assessable profits for the year ended 31 March 2017 and 2016.

The PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% (2016: 25%).

7. DIVIDENDS

No dividend was paid or proposed in respect of the year ended 31 March 2017, nor has any dividend been proposed since the end of reporting period (2016: nil).

8. LOSS PER SHARE

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

	2017	2016
	HK$	*HK$*
Loss for the purpose of basic and diluted loss per share		
Loss for the year attributable to owners of the Company		
— from continuing operations	**(87,335,873)**	(107,608,604)
— from discontinued operation	**(2,519,477)**	(23,725,889)
— from continuing and discontinued operations	**(89,855,350)**	(131,334,493)
Number of shares		(restated)
Weighted average number of ordinary shares for the purpose of basic loss per share	**1,006,724,266**	799,042,733

The weighted average number of ordinary shares adopted in calculation of the basic loss per share for the year ended 31 March 2017 has been adjusted to reflect the impact of the bonus element in the open offer in September 2016. The comparative figures have been restated accordingly.

For the year ended 31 March 2017 and 2016, basic loss per share is the same as diluted loss per share. There are no dilutive effects on the share options granted, as they are anti-dilutive.

9. TRADE AND OTHER RECEIVABLES

	2017	2016
	HK$	*HK$*
Trade receivables *(note (a))*	**11,311,280**	12,641,943
Deposits, prepayments and other receivables *(note (b))*	**36,852,513**	32,305,785
Loan receivables *(note (c))*	**91,782,094**	28,369,700
	139,945,887	73,317,428

Notes:

(a) The ageing analysis of trade receivables based on invoice date after impairment loss is as follows:

	2017	2016
	HK$	*HK$*
Within 90 days	**11,238,280**	12,116,796
91 days to 365 days	**26,000**	18,088
More than 365 days	**47,000**	507,059
	11,311,280	12,641,943

The below table reconciles the impairment loss of trade receivables for the year:

	2017 HK$	2016 HK$
At 1 April	**40,409,960**	—
Impairment loss recognised	**4,043,163**	40,409,960
At 31 March	**44,453,123**	40,409,960

The Group recognised impairment loss on individual assessment based on the group accounting policy.

The Group generally grants no credit period to its customers, except for transactions with customers in exhibition-related services, in which credit period ranging from 30 to 60 days is granted.

(b) The below table reconciles the impairment loss of deposits, prepayment and other receivables for the year:

	2017 HK$	2016 HK$
At 1 April	**864,347**	—
Impairment loss recognised	**527,625**	864,347
Reclassified as held for sale	**(509,001)**	—
At 31 March	**882,971**	864,347

The Group recognised impairment loss based on the group accounting policy.

(c) Loan receivables presented:

	2017 HK$	2016 HK$
— Loans to independent third parties	**91,782,094**	28,369,700

It represented advances to fourteen (2016: four) independent third parties. The Group and the independent third parties entered into the loan agreements in which the Group agreed to advance loans to the independent third parties in the aggregate principal amount of HK$91,782,094 (2016: HK$28,369,700). The loans are unsecured and bear an effective interest rate ranging from 3% to 10% (2016: 4% to 10%) per annum and shall be repayable in 1 month to 15 months (2016: 3 months) from the date of advance. 66.3% of the total loan receivables have been subsequently settled after 31 March 2017.

10. TRADE, BILLS AND OTHER PAYABLES

	2017	2016
	HK$	*HK$*
Trade creditors	**18,236,191**	24,664,778
Bills payables	**—**	7,680,768
Deposits received from disposal of subsidiaries	**16,000,000**	—
Other payables and accruals	**73,702,969**	82,454,386
Other deposits received	**14,583,786**	13,806,128
	122,522,946	128,606,060

Included in trade, bills and other payables are trade and bills payables with the following ageing analysis as of the end of reporting period:

	2017	2016
	HK$	*HK$*
Current or within 30 days	**1,025,849**	1,752,040
31 to 60 days	**15,688**	618,069
61 to 90 days	**92,827**	585,981
Over 90 days	**17,101,827**	29,389,456
	18,236,191	32,345,546

Trade and bills payables are expected to be settled within one year.

11. ASSETS AND LIABILITIES CLASSIFIED AS HELD FOR SALE

On 30 September 2016, the Group announced that 深圳市文地多媒體技術有限公司(Shenzhen Wendi Multimedia Technology Company Limited*), the Company's indirect wholly-owned subsidiary, entered into an equity transfer agreement with an independent third party (the "**Purchaser**") to dispose (the "**Suzhou Disposal**") 51% equity interests in Suzhou Great Research & Industrialization Co., Ltd.* (蘇州格瑞特環保科技產業發展有限公司)("**Great Research**") at a consideration of RMB13,800,000 (equivalent to approximately HK$16,000,000). On 23 January 2017, the parties entered into a supplemental agreement (the "**Supplemental Agreement**") to the equity transfer agreement pursuant to which the parties agreed to (i) amend the completion date of the registration of the equity transfer to within 9 months after the full payment of the consideration by the Purchaser, instead of the original time frame of within 3 months; and (ii) negotiate into entering further supplemental agreement if the registration of the equity transfer cannot be completed within the newly agreed time frame as stipulated in (i) above. The Board announced that all the conditions precedent of the Suzhou Disposal were fulfilled and the terms of the Supplemental Agreement were arrived at between the parties after arm's length negotiation to govern other obligations under the equity transfer agreement. The consideration was paid by the Purchaser on 27 October 2016. Up to the date of this report, the Suzhou Disposal has not been completed. The Directors anticipate that the Suzhou Disposal will be completed within twelve months from the end of reporting period. Details of the Suzhou Disposal is set out in the announcements of the Company dated 30 September 2016 and 23 January 2017. The following major classes of assets and liabilities relating to the Great Research and its subsidiaries have been classified as held for sale in the consolidated statement of financial position.

	2017
	HK$
Interest in an associate	**32,113,485**
Other receivables	**845,621**
Amount due from an associate	**4,993,458**
Amounts due from related parties	**225,279**
Cash and cash equivalents	**2,677,580**
Assets classified as held for sale	**40,855,423**
Trade and other payables	**832,237**
Amount due to non-controlling shareholder	**3,491,100**
Amounts due to related parties	**4,204,485**
Deferred tax liabilities	**7,485,625**
Liabilities associated with assets classified as held for sale	**16,013,447**
Foreign exchange reserve	**(386,926)**
Cumulative income or expense recognised in other comprehensive income relating to disposed group classified as held for sale	**(386,926)**

12. EVENTS AFTER THE REPORTING PERIOD

The Group disposed on-market a total of 13,500,000 ordinary shares of Leyou Technologies Holdings Limited ("**Leyou**") (Stock code: 1089), a company incorporated in Cayman Islands with limited liabilities and the ordinary shares of which are listed on the Main Board of The Stock Exchange, through a series of transactions on market conducted during the period from 18 April 2017 to 17 May 2017, at an average price of HK$1.594 per ordinary share of Leyou for an aggregate gross sale proceeds of approximately HK$21,523,838 (excluding transaction costs) ("**Leyou Disposal**"). Details of the Leyou Disposal were disclosed in the Company's announcements dated 18 May 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

Consolidated results

For the year ended 31 March 2017, the Group recorded revenue of approximately HK$81.3 million compared to approximately HK$112.8 million for the last financial year, representing a decrease of about 27.9%, and loss of approximately HK$94.1 million compared to approximately HK$133.8 million for the last financial year, representing a decrease of about 29.7%. The Group had a decrease in the loss for the year ended 31 March 2017 primarily because of the absence of (i) the impairment loss on trade and other receivable and goodwill of approximately HK$61.3 million, and (ii) the gain of disposal on available-for sale investments of approximately HK$14.3 million, which were recognised in the last financial year.

Business Review

Licence fee collection and provision of intellectual property enforcement services business

On 8 May 2006, (i) China Music Video Broadcast (Shenzhen) Company Limited*（中音傳播(深圳)有限公司）("**China Music**"), an indirect non-wholly owned subsidiary of the Company, and MVCM Association entered into a copyright co-operation agreement; and (ii) China Music, Song Labs Co, Ltd*（北京天語同聲信息技術有限公司）("**Song Labs**"), an indirect wholly-owned subsidiary of the Company, and the MVCM Association entered into a copyright business operation co-operation agreement (together with their supplemental agreements, (the "**Copyright Co-operation Agreements**"). Pursuant to the Copyright Co-operation Agreements, the MVCM Association, China Music and Song Labs have set up a market operation team in the PRC to manage and operate the business of the licences of copyright to karaoke music products in the PRC, and China Music and Song Labs are entitled to certain portion of the licence fees in the PRC. Under the Copyright Co-operation Agreements, the MVCM Association takes the role as the sole market manager and China Music and Song Labs together take the role as the sole market operator. Pursuant to the Copyright Co-operation Agreements, the MVCM Association is required to collect the licence fees from the karaoke operators and distribute and pay certain portion of such licence fees to China Music and Song Labs on a weekly basis as operating fees ("**Operating Fees**").

On 1 June 2016, China Music and Song Labs have initiated the Litigation against MVCM Association in the PRC court claiming for:

(a) the payment of (i) outstanding Operating Fees of approximately RMB34,000,000 (equivalent to approximately HK$40,800,000) by MVCM Association to China Music and Song Labs pursuant to the Copyright Co-operation Agreements which represents the outstanding Operating Fees up to the second quarter of 2015 (the "**Outstanding Operating Fees**"); and (ii) the default interest of approximately RMB2,000,000 (equivalent to approximately HK$2,400,000), if calculated up to 31 May 2016;

(b) a declaration that the unilateral termination of one of the Copyright Co-operation Agreements by MVCM Association was invalid and that MVCM Association should continue to perform its obligations under the Copyright Co-operation Agreements; and

(c) the costs of the Litigation to be borne by MVCM Association.

On 1 June 2016, the Chaoyang People's Court notified China Music and Song Labs that the application for the Litigation was accepted.

As disclosed in the Company's announcement dated 19 July 2016, the Group received a counter claim (the "**Counter Claim**") filed by MVCM Association (the original defendant to the Litigation) with the Chaoyang People's Court against China Music and Song Labs. Pursuant to the Counter Claim, MVCM Association requested the Chaoyang People's Court to declare that the fifth supplemental agreement dated 16 June 2014 (the "**Fifth Supplemental Agreement**") in relation to the payment of Outstanding Operating Fees under the Copyright Cooperation Agreements be invalidated on the basis that, among other things:

(i) MVCM Association considered the core value of the joint cooperation among MVCM Association, China Music and Song Labs had lapsed;

(ii) the payment of the Operating Fees is in breach of the constitutional documents and distribution plan of MVCM Association; and

(iii) the entering into of the Fifth Supplemental Agreement did not comply with the relevant internal approval procedures of MVCM Association.

The Counter Claim was accepted by the Chaoyang People's Court on 13 July 2016. The Litigation is in a preliminary stage and the Company's PRC legal counsel is currently taking all necessary steps to protect the Company's interests. For details in relation to the Litigation and the Counter Claim, please also refer to the Company's announcements dated 12 November 2015, 23 May 2016, 2 June 2016 and 19 July 2016.

As at the date of this report, it is uncertain as to whether the Group can fully recover the Outstanding Operating Fees from MVCM Association. Accordingly, no Operating Fees were recognised for the Group's licence fee collection and provision of intellectual property enforcement services business for the years ended 31 March 2017 and 2016, pending the results of the Litigation.

Exhibition-related business

China Resources Advertising & Exhibition Company Limited, a direct wholly-owned subsidiary of the Company (together with its subsidiaries, the "**CRA Group**") is principally engaged in exhibition-related business. The CRA Group has acted as an organizer and contractor for exhibitions and meeting events held in Hong Kong. It has developed over 20 years of relationship with the Hong Kong Trade Development Council ("**HKTDC**") and has become one of the major agents organising trade fairs for PRC groups whilst most of which were co-organised with the HKTDC. The clients of the CRA Group are primarily PRC based including numerous sub-councils of the China Council for the Promotion of International Trade in the PRC. For the year ended 31 March 2017, this business segment recorded revenue of approximately HK$42.7 million compared to approximately HK$54.6 million for the last financial year, representing a decrease of about 21.8%, and loss of approximately HK$4.1 million compared to approximately HK$2.5 million for the last financial year, representing an increase of about 64.0%. The drop in revenue was mainly due to the decrease in the number of participating exhibitors by 25%.

Property sub-leasing, development and investment business

For the year ended 31 March 2017, this business segment recorded revenue of approximately HK$32.4 million compared to approximately HK$44.2 million for the last financial year, representing a decrease of about 26.7%, and recorded a loss of approximately HK$1.2 million as compared to profit of approximately HK$2.8 million for the last financial year. The drop in the revenue was mainly due to the discontinuance in sub-leasing certain properties in the PRC.

Money lending

With a money lenders licence granted previously and the completion of the open offer on 2 September 2016, the Group continued to conduct money lending business in Hong Kong and recognised interest income of approximately HK$3.5 million during the year (2016: HK$0.8 million).

Sludge and sewage treatment

On 30 September 2016, 深圳市文地多媒體技術有限公司 (Shenzhen Wendi Multimedia Technology Company Limited*), the Company's indirect wholly-owned subsidiary, entered into an equity transfer agreement (the "**Equity Transfer Agreement**") with 重慶宸惠物流有限公司 (Chongqing Chen Hui Logistics Limited*), a party independent of the Company and its connected persons, in respect of a disposal of 51% equity interests in Great Research at a consideration of RMB13,800,000 (equivalent to approximately HK$16,000,000).

In view of (i) the subsequent failure in re-negotiation for reinitiating the certain potential projects and (ii) further future financing needs thereof, the Directors expect the future profits generated by the Great Research and its subsidiaries (the "**Great Group**") to be minimal, and consider that the Suzhou Disposal will enable the Group to realise its investment in the Great Group and to focus on its existing business and business development.

The Suzhou Disposal is conditional on (i) the signing of the Equity Transfer Agreement; and (ii) all necessary approvals and waivers having been obtained in accordance with the Rules Governing the Listing of Securities (the "**Listing Rules**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The waiver from the strict compliance with Rule 14.92 of the Listing Rules in respect of the Suzhou Disposal was granted by the Stock Exchange on 6 October 2016.

On 23 January 2017, the parties entered into a supplemental agreement (the "**Supplemental Agreement**") to the Equity Transfer Agreement pursuant to which the parties agreed to (i) amend the completion date of the registration of the equity transfer to within 9 months after the full payment of the Consideration by the Purchaser, instead of the original time frame of within 3 months; and (ii) negotiate into entering further supplemental agreement if the registration of the equity transfer cannot be completed within the newly agreed time frame as stipulated in (i) above.

As at the date of this announcement, the completion has not taken place yet. Upon completion, the Great Group cease to be subsidiaries of the Company and the Group would no longer have any interest in sludge and sewage treatment business. For details in relation to the Suzhou Disposal and the Supplemental Agreement, please refer to the Company's announcements dated 30 September 2016 and 23 January 2017.

Liquidity and financial resources

As at 31 March 2017, the Group had bank borrowings of approximately HK$51.4 million (2016: HK$68.7 million). The gearing ratio of the Group as at 31 March 2017 was 36.5% compared with 58.0% as at 31 March 2016. Such ratio was calculated with reference to the bank borrowings over the Company's equity attributable to owners of the Company. As at 31 March 2017, the Group had net current assets of approximately HK$2.1 million (2016: net current liabilities of approximately HK$45.3 million). The current ratio of the Group as at 31 March 2017 was 1.0 compared with 0.8 as at 31 March 2016.

The maturity profile of the Group's bank borrowings is set out as follows:

	2017	2016
	HK$ Million	*HK$ Million*
Repayable:		
Within one year	**51.4**	50.7
After one year but within two years	—	18.0
	51.4	68.7

The carrying amounts of all the Group's bank loans were denominated in RMB except for certain loan balances with an aggregate amount of HK$30.0 million as at 31 March 2017 which were denominated in Hong Kong dollar. All of the Group's bank loans were charged at fixed interest rates except for loan balance of HK$30 million as at 31 March 2017 which was charged at floating interest rate. The bank loans carry interest rates at 2.76% to 6.5% per annum. As at 31 March 2017, the total amount of unutilised bank borrowing facility is HK$30 million (2016: nil).

The revenue of the Group, being mostly denominated in Renminbi and Hong Kong dollar, matches the currency requirement of the Group's expenses while other foreign currencies were immaterial.

During the year ended 31 March 2017, no financial instrument was entered into by the Group used for hedging purpose. The Group was not exposed to any exchange rate risk or any related hedges.

Fund raising activities

During the year ended 31 March 2017, the Group completed the following fund raising exercise to strengthen its financial position and raised the gross proceeds of approximately HK$107.8 million, with the net proceeds of approximately HK$104.1 million. Details of which are set out as follows:

Date of announcement	**Description of fund raising activities**	**Intended use of proceeds**	**Actual use of proceeds as at 31 March 2017**	**Unutilised amount as at 31 March 2017**
16 May 2016	Issue of 359,259,523 new Shares at the subscription price of HK$0.30 per Share on the basis of one offer share for every two existing Shares (the "**Open Offer**")	(i) Approximately HK$74.8 million for conducting the money lending business of the Group in Hong Kong	(i) Approximately HK$74.0 million	(i) Approximately HK$0.8 million
		(ii) Approximately HK$29.3 million for general working capital of the Group	(ii) Approximately HK$21.8 million has been utilised as intended	(ii) Approximately HK$7.5 million

Charges

As at 31 March 2017, certain bank deposits of the Group in the aggregate amount of RMB30.0 million and HK$2.3 million were pledged to secure the banking and credit facilities of the Group respectively.

As at 31 March 2017, certain bank loans of the Group in the total amount of RMB19 million were secured by personal and corporate guarantees provided by Mr. Yang Lei (a director of certain subsidiaries of the Company), his spouse and a company beneficially owned by Mr. Yang Lei and his spouse (the "**Related Company**") and certain assets of Mr. Yang Lei, his spouse and, a related party.

Nanjing Yinkun Investment Corporation* (南京垠坤投資實業有限公司), an indirect non-wholly owned subsidiary of the Company, provided the guarantee in respect of a loan facility for the principal amount of up to RMB35.0 million provided to an independent third party from a financial institution in the PRC. The estimated fair value of the financial guarantee is HK$nil which was arrived on the basis of valuation carried out by APAC for the year ended 31 March 2017. Details of which are set out in the paragraph headed "**Advance to an Entity**" in this announcement.

Save as disclosed above, the Group did not have any charges on assets as at 31 March 2017.

Contingent liabilities

As at 31 March 2017, the Group had no material contingent liabilities.

Advance to an entity

On 25 November 2015, Nanjing Yinkun Investment Corporation* (南京垠坤投資實業有限公司) (the "**Guarantor**"), an indirect non-wholly owned subsidiary of the Company as the guarantor, entered into a guarantee agreement (the "**Guarantee Agreement**"), pursuant to which the Guarantor agreed to guarantee the repayment obligations of Nanjing Ruiyi Heng Tong Technology Development Co., Ltd.* (南京瑞益恒通科技發展有限公司), a company established in the PRC and a potential business partner of the Guarantor, as the borrower under the loan agreement in respect of the loan facility for the principal amount of up to RMB35 million at a floating rate in accordance with the benchmark lending rate of one-to-five year term loan as announced by the People's Bank of China, subject to adjustments, which was secured by certain properties in the PRC and was provided by a financial institution in the PRC in October 2015. Such facility shall be matured in 36 months and repaid by six (6) semi-annual installments and its outstanding balance as at 31 March 2017 was RMB20 million. At the material time, the provision of guarantee (the "**Guarantee**") under the Guarantee Agreement by the Guarantor constituted a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Further, as the amount of the Guarantee exceeds 8% of the assets ratio under Rule 13.13 of the Listing Rules, the provision of the Guarantee is also subject to the disclosure requirements under Rule 13.15 of the Listing Rules. For further details, please refer to the announcement of the Company dated 14 June 2016.

Emolument policy

As at 31 March 2017, the Group employed a total number of 139 employees. The remuneration of the employees of the Group amounted to approximately HK$39.4 million for the year ended 31 March 2017 (31 March 2016: HK$47.1 million). The Group remunerates its employees based on their performance, experience and prevailing industry practices. The emoluments of the Directors and senior management of the Company are decided by the remuneration committee of the Company, having regard to the Company's operating results, individual performance and comparable market statistics.

The Group periodically reviews its remuneration package in order to attract, motivate and retain its employees. Discretionary bonuses are rewarded to Directors and employees based on the Group's operating results and their performance.

Further, the Company has also adopted a share option scheme for the primary purpose of providing incentives or rewards to any Director, employee and other eligible participant who made significant contribution to the Group. The Group also provides external training courses to its staff to improve their skills and services on an ongoing basis.

Significant investments held, material acquisitions and disposals of subsidiaries, associates and joint ventures, and future plans for material investments or capital assets

Save as the disposal of the Great Group as disclosed in the paragraph headed "**Sludge and Sewage Treatment**" in this announcement, there were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 31 March 2017.

Events After the Reporting Period

Subsequent to the end of the reporting period, the Group disposed on-market a total of 13,500,000 ordinary shares of Leyou, through a series of transactions on market conducted during the period from 18 April 2017 to 17 May 2017, at an average price of HK$1.594 per ordinary share of Leyou for an aggregate gross sale proceeds of approximately HK$21,523,838 (excluding transaction costs). Details of the Leyou Disposal were disclosed in the Company's announcement dated 18 May 2017.

Outlook

During the year, the Company introduced a new controlling shareholder with the acquisition by Grand Nice International Limited (a company owned by Mr. Chen Weiwu, an executive Director and the Chairman of the Company) of a majority stake of approximately 53.8% interest in the Company and introduced new members to our management team and Board of Directors, who are highly experienced in the real estate development industry in China and possess with significant resources and networks in China which the Company expects to be able to leverage for its future development in the property sub-leasing, development and investment business sector. Further details of the change in controlling shareholders are disclosed in the announcements dated 25 October 2016 and 23 January 2017.

The Board is currently conducting reviews on the business operations and financial position of the Group for the purpose of formulating suitable business plans and strategies for the future business development of the Group. Subject to the results of the reviews, and should suitable investment or business opportunities arise, the Board may consider acquisition of assets and/ or business by the Group in order to enhance its financial performance as well as value to the shareholders of the Company in the long run. As at the date of this announcement, there was no plan for any acquisition or disposal of the existing assets or business of the Group.

FINAL DIVIDEND

The Directors do not recommend any payment of final dividend for the year ended 31 March 2017 (2016: nil).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining shareholders who are entitled to attend and vote at the 2017 annual general meeting of the Company ("**2017 AGM**"), the register of members of the Company will be closed from Friday, 22 September 2017 to Thursday, 28 September 2017, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the 2017 AGM, unregistered holders of shares of the Company should ensure that all transfers of shares accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the office of the Company's Share Registrar, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 21 September 2017.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor its subsidiaries purchased, sold or redeemed the Company's listed securities during the year ended 31 March 2017.

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the preliminary announcement of the Group's results for the year ended 31 March 2017 have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by BDO Limited 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 BDO Limited on this preliminary announcement.

CODE OF CORPORATE GOVERNANCE

Throughout the year ended 31 March 2017, the Company has complied with the code provisions of the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Listing Rules, save for the deviation of code provision A.4.1 of the CG Code below:

Pursuant to code provision A.1.1 of the CG Code, Board meetings should be held at least four times a year at approximately quarterly internals. Although only two regular Board meetings were held during the year, the Board considered that sufficient meetings had been held as business operations were under the management and the supervision of the executive Directors. In addition, senior management of the Group provided to the Directors the information in respect of the Group's business development and activities from time to time and, when required, ad hoc Board meetings will be held.

Pursuant to code provision C.2.5 of the CG Code, the Group should have an internal audit function. The Company conducted an annual review on the need for setting up an internal audit department. Given the Group's simple operating structure, it was decided that the Board would be directly responsible and review on the adequacy and effectiveness of the risk management and internal control systems of the Group. During the year, the Board through the Audit Committee had conducted an annual review on the risk management and internal control systems of the Group, including the analysis and appraisal of its adequacy and effectiveness.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company follows the Model Code in Appendix 10 to the Listing Rules as the code of conduct for Directors in their dealings in the securities of the Company. Having made specific enquiry with Directors, all Directors confirmed that they have fully complied with the Model Code during the year.

AUDIT COMMITTEE

The audit committee of the Company ("**Audit Committee**"), comprises three independent non-executive Directors, namely Mr. Chen Youchun, Mr. Chan Chein Kwong William and Ms. Lui Mei Ka, has reviewed, together with the participation of the management, the accounting principles and practices adopted by the Group and discussed auditing and financial reporting matters including the review of the audited financial statements of the Group for the year.

PUBLIC FLOAT

As at the date of this announcement, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of the Directors.

ANNUAL GENERAL MEETING

The 2017 AGM will be held on Thursday, 28 September 2017 and the notice of the 2017 AGM will be published and despatched in the manner as required by the Listing Rules and the Company's memorandum and articles in due course.

PUBLICATION OF RESULTS ON THE STOCK EXCHANGE'S AND COMPANY'S WEBSITE

The Company's annual report for the year ended 31 March 2017 will be despatched to the shareholders of the Company and available for viewing on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk under "**Latest Listed Company Information**" and on the website of Tricor Secretaries Limited at http://www.tricor.com.hk/WebService/000674/.

By Order of the Board
Culture Landmark Investment Limited
Chen Weiwu
Chairman

Hong Kong, 27 June 2017

As at the date of this announcement, the executive Directors are Mr. Chen Weiwu (the Chairman), Mr. Chen Gengxian, Mr. Chen Songbin and Mr. Zhou Houjie; and the independent non-executive Directors are Mr. Chen Youchun, Mr. Chan Chein Kwong William and Ms. Lui Mei Ka.

* *The English translation of certain Chinese names or words in this announcement is included for identification purpose only, and shall not be regarded as the English translation of such Chinese names or words.*