City e-Solutions Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 557)

2017 INTERIM RESULTS — ANNOUNCEMENT UNAUDITED CONSOLIDATED RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

RESULTS

The Board of Directors (the "Board") of City e-Solutions Limited (the "Company") announce the following unaudited consolidated results of the Company, its subsidiaries, joint arrangements and associates (the "Group") for the six months ended 30 June 2017 (the "Period") together with comparative figures.

Consolidated Statement of Profit or Loss
for the six months ended 30 June 2017 - unaudited

		Six months ended 30 June	
		2017	**2016**
	Note	*HK$'000*	*HK$'000*
Revenue	2	54,545	50,212
Cost of sales		(10,769)	(10,217)
Gross profit		43,776	39,995
Other net gains/(losses)	3	3,308	(17,645)
Administrative expenses	4	(82,178)	(52,646)
Loss from operating activities		(35,094)	(30,296)
Finance costs	5	(694)	(730)
Share of profit of a joint venture	6	—	19,492
Share of loss of associates		(499)	(481)
Loss before taxation		(36,287)	(12,015)
Income tax expense	7	(8)	(5,302)
Loss for the period	8	(36,295)	(17,317)
Attributable to:			
Equity shareholders of the Company		(29,100)	(17,255)
Non-controlling interests		(7,195)	(62)
Loss for the period		(36,295)	(17,317)
Earnings per share		*HK cents*	*HK cents*
Basic losses per share	9	(7.61)	(4.51)

Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 30 June 2017 - unaudited

	Six months ended 30 June	
	2017	**2016**
	HK$'000	*HK$'000*
Loss for the period	(36,295)	(17,317)
Other comprehensive income for the period (after taxation):		
Items that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of foreign operations	1,171	192
Exchange differences on monetary item forming net investment in a foreign operation	214	33
Total other comprehensive income for the period	1,385	225
Total comprehensive income for the period	(34,910)	(17,092)
Attributable to:		
Equity shareholders of the Company	(27,917)	(17,064)
Non-controlling interests	(6,993)	(28)
Total comprehensive income for the period	(34,910)	(17,092)

Consolidated Statement of Financial Position
as at 30 June 2017 - unaudited

	Note	As at 30 June 2017 HK$'000	As at 31 December 2016 HK$'000
Non-current assets			
Property, plant and equipment		45,844	42,647
Intangible assets		6,220	5,475
Goodwill		8,999	8,941
Available-for-sale financial assets		18,393	18,179
Interest in associates		6,299	8,491
Prepayments	11(c)	23,608	—
Total non-current assets		109,363	83,733
Current assets			
Trading securities		23,980	74,101
Trade and other receivables	11	156,413	29,854
Current tax recoverable		2,880	2,536
Cash and cash equivalents		216,647	339,945
Assets held for sale	15	1,482	—
		401,402	446,436
Current liabilities			
Trade and other payables	12	(23,241)	(27,928)
Interest-bearing borrowings	13	(770)	(719)
Loan from non-controlling interests	14	(22,439)	—
Provision for taxation		(11)	(180)
		(46,461)	(28,827)
Net current assets		354,941	417,609
Total assets less current liabilities		464,304	501,342
Non-current liabilities			
Deferred rent		(976)	—
Dividends received in excess of earnings from equity-method accounted joint venture		(219)	(209)
Interest-bearing borrowings	13	(28,776)	(28,982)
Loan from non-controlling interests	14	—	(2,908)
		(29,971)	(32,099)
NET ASSETS		434,333	469,243
CAPITAL AND RESERVES			
Share capital		382,450	382,450
Reserves		24,288	52,205
Total equity attributable to equity shareholders of the Company		406,738	434,655
Non-controlling interests		27,595	34,588
TOTAL EQUITY		434,333	469,243

Notes:-

1. Accounting policies

The interim results set out in the announcement do not constitute the Group's interim financial report for the six months ended 30 June 2017 but are extracted from that report.

The interim financial results for the six months ended 30 June 2017 are unaudited, but have been reviewed by the Company's Audit Committee.

The interim financial results for the six months ended 30 June 2017 have been prepared in accordance with the same accounting policies adopted by the Group as disclosed in the annual report for the year ended 31 December 2016, except for the amendments to Hong Kong Financial Reporting Standards ("HKFRSs") that are expected to be effective for the financial year ending 31 December 2017. Details of these changes in accounting policies are set out below.

The Hong Kong Institute of Certified Public Accountants has issued a number of amendments to HKFRSs and Hong Kong Accounting Standards ("HKAS") that are first effective for the current accounting period of the Group. Of these, the following developments are relevant to the Group's financial statements:

- Amendments to HKAS 7, *Statement of cash flows: Disclosure initiative*

- Amendments to HKAS 12, *Recognition of deferred tax assets for unrealised losses*

- Amendments to HKFRs 12, *Disclosure of interests in other entities*

None of these development have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

2. Segment reporting

Included in reportable segment revenue are dividend and interest income amounting to HK$2.4 million (2016: HK$2.7 million). Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the period is set out below:

	Investment Holding		**Hospitality**		**Total**	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
For the six months ended 30 June:						
Revenue from external customers	779	1,460	52,188	47,539	52,967	48,999
Interest income	1,567	1,135	11	78	1,578	1,213
Reportable segment revenue	2,346	2,595	52,199	47,617	54,545	50,212
Reportable segment (loss)/profit	(21,836)	(23,295)	(14,451)	11,280	(36,287)	(12,015)
Depreciation and amortisation	(154)	(1)	(2,588)	(3,393)	(2,742)	(3,394)
Net realised and unrealised valuation gain/(loss) on trading securities	2,486	(10,733)	—	—	2,486	(10,733)
Net realised and unrealised foreign exchange gain/(loss)	2,481	(6,912)	(62)	—	2,419	(6,912)
Additions to non-current assets	10	—	866	955	876	955
As at 30 June / 31 December:						
Reportable segment assets	332,347	329,167	175,538	198,466	507,885	527,633
Reportable segment liabilities	5,030	5,002	71,391	55,744	76,421	60,746

3. Other net gains/(losses)

	Six months ended 30 June	
	2017	**2016**
	HK$'000	*HK$'000*
Net realised and unrealised foreign exchange gain/(loss)	2,419	(6,912)
Net realised and unrealised valuation gain/(loss) on trading securities	2,486	(10,733)
Provision for diminution in value of investment in associate	(1,792)	—
Miscellanous income	195	—
	3,308	(17,645)

4. Administrative expenses

Administrative expenses comprise mainly expenses incurred by the Group's Hospitality segment which include Sheraton Chapel Hill Hotel, North Carolina, U.S., a hotel jointly operated by the Group's subsidiary and Sceptre Hospitality Resources, LLC.

5. Finance costs

	Six months ended 30 June	
	2017	**2016**
	HK$'000	*HK$'000*
Amortisation of capitalised transaction costs	88	62
Interest expenses on borrowings	606	668
	694	730

6. Share of profit of a joint venture

The share of profit for six months ended 30 June 2016 was contributed by the Group's jointly-controlled entity, Richfield Syracuse Hotel Partners, LLC following its disposal of its Crowne Plaza Syracuse Hotel on 16 May 2016.

7. Income tax expense

	Six months ended 30 June	
	2017	**2016**
	HK$'000	*HK$'000*
Current tax - Overseas		
Provision for the period	8	109
Deferred tax		
Origination and reversal of temporary differences	—	5,193
Income tax expense from continuing operations	8	5,302

The provision for Hong Kong Profits Tax is calculated at the rate of 16.5% (2016: 16.5%) of the estimated assessable profits for the period ended 30 June 2017. Taxation for overseas subsidiaries has been provided on estimated assessable profits at the rates of taxation ruling in the relevant countries.

The Company is exempted from taxation in the Cayman Islands for a period of twenty years from 1989 under the provisions of Section 6 of the Tax Concessions Law (Revised) of the Cayman Islands. The tax concession was renewed for a further period of twenty years from 2 June 2009.

As at 30 June 2017, the Group has not recognised deferred tax assets in respect of tax losses of approximately HK$67.6 million (31 December 2016: HK$73.3 million) as it is not probable that there will be sufficient future taxable profits against which the Group can utilise the benefits. The tax losses do not expire under the current tax legislations.

8. Loss for the period

Loss for the period is arrived at after charging/(crediting)

	Six months ended 30 June	
	2017	**2016**
	HK$'000	*HK$'000*
Depreciation of property, plant and equipment	1,487	2,043
Amortisation of intangible assets	1,255	1,351
Operating lease charges — rental of properties	3,269	1,785
Dividend and interest income	(2,357)	(2,673)

9. Earnings per share

a) Basic losses per share

The calculation of basic losses per share is based on loss attributable to ordinary equity shareholders of the Company of HK$29.1 million (six months ended 30 June 2016: HK$17.3 million) and the weighted average number of ordinary shares of 382,449,524 (six months ended 2016: 382,449,524) in issue during the Period.

b) Diluted earnings per share

Diluted earnings per share are not applicable as there are no dilutive potential ordinary shares during the Period.

10. Dividends

a) Dividend attributable to the interim period

The Directors of the Company (the "Directors") have resolved not to declare an interim dividend for the six months ended 30 June 2017 (2016: nil).

b) There were no dividends attributable to the previous financial year, approved and paid during the interim period of 2017 and 2016.

11. Trade and other receivables

Included in trade and other receivables are third-party trade receivables (net of allowance for doubtful debts) with the following ageing analysis based on invoice date:

	As at 30 June 2017	**As at 31 December 2016**
	HK$'000	*HK$'000*
Less than 1 month	10,079	10,130
1 to 3 months	8,071	9,205
3 to 12 months	2,480	827
Total third-party trade receivables, net of allowance for doubtful debts	20,630	20,162
Other receivables and deposits	11,121	3,230
Loans and receivables	31,751	23,392
Prepayments	124,662	6,462
	156,413	29,854

a) Trade receivables are due within 30 days from the date of billing. Receivables with balances that are more than 3 months overdue are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from its customers.

All trade and other receivables are expected to be recovered within one year.

b) Other receivables and deposits consists mainly of rental deposits.

c) Prepayments consist of the prepaid professional fee of HK$27 million and consideration paid for the acquisition of PRIP Communications Limited of HK$118 million.

12. Trade and other payables

	As at 30 June 2017 HK$'000	As at 31 December 2016 HK$'000
Trade payables	6,259	4,986
Other payables and accrued charges	12,135	16,490
	18,394	21,476
Deferred income	4,847	6,452
	23,241	27,928

Trade and other payables, excluding deferred income, have the following ageing analysis based on due date:

	As at 30 June 2017 HK$'000	As at 31 December 2016 HK$'000
Due within 1 month or on demand	12,188	16,438
Due 1 to 3 months	3,077	1,040
Due 3 to 12 months	3,129	3,998
	18,394	21,476

13. Interest-bearing borrowings

	As at 30 June 2017 *HK$'000*	As at 31 December 2016 *HK$'000*
Bank loan (secured)	29,546	29,701
Repayable:		
- Within 1 year	770	719
- After 1 year but within 2 years	813	785
- After 2 years but within 5 years	2,690	2,609
- After 5 years	25,273	25,588
	28,776	28,982
	29,546	29,701

The Group's term loan is secured by:

- a first priority mortgage of Sheraton Chapel Hill Hotel, its improvements, equipment and fixtures with a carrying amount of HK$36.8 million as at 30 June 2017 (31 December 2016: HK$36.6 million);
- assignments of all rights and benefits to sale, lease, agreements, trademarks and insurance proceeds in respect of Sheraton Chapel Hill Hotel;
- pledge of monies held in specific bank accounts of HK$2.7 million as at 30 June 2017 (31 December 2016: HK$2.2 million); and
- guarantee by Richfield Hospitality, Inc ("RHI"), an indirect subsidiary of the Group.

Non-recourse Carveout Guarantees

As of 30 June 2017, RHI and SWAN USA, Inc ("the Guarantors"), both being indirect subsidiaries of the Group, are guarantors for certain indebtedness relating to the Group's joint operation and associate, as set out below:

- RHI is a guarantor of indebtedness of the term loan entered into by SWAN Carolina Investor, LLC and SFI Carolina TIC SPE, LLC for Sheraton Chapel Hill Hotel as mentioned above. The term guarantee will expire on 6 May 2023.
- RHI and SWAN USA, Inc are guarantors of indebtedness of the term loans entered into by RBH Mezz, LLC and Rich Burlington Hotel, LLC, which are underlying investments of S-R Burlington Partners, LLC. The term guarantees will expire on 11 November 2017.

The above indebtedness are non-recourse in nature and the Group's liabilities are limited to the collaterals on which the individual loans are secured. The guarantees entered by the Guarantors provides the lender with recourse for any losses and expenses arising from specific acts such as fraud, misappropriation of rents and intentional damages ("covenants"). The obligations of the Guarantors are to the extent which the collaterals are insufficient to meet the lender's losses and expenses. These guarantees do not impose liability on the Guarantors for any other event such as the non-payment of loan by the borrower. The maximum potential liability of the Group under the guarantees is HK$136.7 million as at 30 June 2017 (31 December 2016: HK$167.7 million).

The management is of the view that the possibility of violating the above covenants and triggering any cash outflow within the scope of the above guarantees is remote. In addition, the above indebtedness are non-recourse in nature and the carrying amount of the individual collateral is in excess of its respective outstanding loan amount.

14. Loan from non-controlling interests

The loan from non-controlling interests is unsecured and interest free. The loan is due for repayment in February 2018 and June 2018.

15. Assets held for sale

On 12 June 2017, the Company's indirectly wholly owned subsidiary, Richfield Hospitality China Limited ("Richfield China") entered a share transfer agreement under which Richfield China agreed to sell 50% of its shares under Cosmic Hospitality China Limited, an associate of the Group at USD293,000. The expected time of its completion is in September 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group recorded a net loss attributable to the equity shareholders of the Company of approximately HK$29.1 million for the Period as compared with a net loss attributable to the equity shareholders of the Company of approximately HK$17.3 million in the previous corresponding period. The higher loss was mainly due to the higher administrative expenses incurred which were partially offset by the net realised and unrealised foreign exchange gain and valuation gain on trading securities for the Period.

The Group's Investment Holding segment recorded net realised and unrealised valuation gain of approximately HK$2.5 million from the Group's trading securities as at 30 June 2017. Net realised and unrealised foreign exchange gain of approximately HK$2.4 million was also recorded, which mainly arose from the Renminbi denominated cash deposits into the functional currency of the Company. Overall, the total net realised and unrealised gain of approximately HK$4.9 million was recorded for the Period as compared with the total net realised and unrealised loss of approximately HK$17.6 million in the previous corresponding period. The net realised and unrealised gain was offset by the higher administrative expenses of approximately HK$27.3 million for the Period as compared with that of approximately HK$8.2 million in the previous corresponding period. The higher administrative expenses mainly arose from the higher directors' fee of approximately HK$11.7 million and professional fee of approximately HK$6.3 million compared with the previous corresponding period. Consequently, the Group's Investment Holding segment reported a loss before tax of approximately HK$21.8 million for the Period as compared with a loss before tax of approximately HK$23.3 million in the previous corresponding period.

On the Group's Hospitality segment, the Group's U.S. hotel management arm, Richfield Hospitality, lnc. recorded lower management fee income of approximately HK$4.1 million for the Period, down by approximately HK$0.7 million from approximately HK$4.8 million in the previous corresponding period. The decrease in revenue was offset by lower administrative expenses and resulted in a loss before tax of approximately HK$1.6 million for the Period as compared with a loss before tax of approximately HK$6.7 million in the previous corresponding period.

The Sheraton Chapel Hill Hotel, North Carolina, U.S. contributed total revenue of approximately HK$11.3 million for the Period as compared with approximately HK$12.9 million for the previous corresponding period. The loss before tax of approximately HK$0.1 million for the Period as compared with a profit contribution of approximately HK$1.3 million in the previous corresponding period.

The Group's 51% equity interest in Sceptre Hospitality Resources, LLC ("SHR"), the hospitality industry's leading expert for reservations connectivity, online channel marketing and revenue/channel-management services, recorded higher revenue of approximately HK$35.0 million, up by approximately HK$5.9 million or 20% from approximately HK$29.1 million in the previous corresponding period. However, SHR incurred higher administrative expenses during the Period to support the revenue growth, resulting in an operating loss of approximately HK$12.2 million as compared with an operating loss of approximately HK$2.3 million in the previous corresponding period.

The Group also recognised share of loss from its associates, S-R Burlington Partners, LLC. and Cosmic Hospitality China Limited, of approximately HK$0.5 million for the Period, which is the same as the previous corresponding period.

Consequently, the Group's Hospitality segment reported a loss before tax of approximately HK$14.5 million for the Period as compared with a profit before tax of approximately HK$11.3 million in the previous corresponding period.

As at 30 June 2017, the Group recorded an income tax expense of approximately HK$0.1 million for the Period, as compared to an income tax expense of approximately HK$5.3 million in the previous corresponding period.

PROSPECTS

The Group remains cautious in the midst of the global uncertainty, though the real estate and hospitality markets in the U.S. have remained active. The Group is in consultation with its joint venture partners to respond to market interests in our investments.

The Group will continue to grow the hospitality reservation business and to adopt a prudent approach in managing the hospitality related businesses by ensuring costs are kept in line with the level of business activities in order to reduce loss in the segment.

Besides the hospitality segment, the Group is exploring medical service sector.

China's plastic surgery industry is on a fast growth track. According to Zhongshang Industry Research Institute, the medical aesthetic industry in China had a turnover amounted to RMB51.1 billion in 2015 and maintained an annual growth rate over 20% in the past 4 years. With the further improvement of living standards and higher acceptance of medical beauty in general public, the medical aesthetic market in China will further expanded in the future. According to Changjiang Securities' research report, it is expected that the market size of the medical aesthetic industry in China will be amounted to RMB252.4 billion by 2025, which is nearly 5 times of the current market size and represents an enormous room for growth.

On 29 May 2017, the Company entered into a subscription and share purchase agreement with Sang Woo Lee ("Vendor 1") and Pyung Kim (together with Vendors 1, collectively as the "Vendors") and a target company ("PRIP Communications Limited" or "PRIP") pursuant to which (i) the Company conditionally agreed to purchase, and the Vendors agreed to sell the sale shares at the consideration of approximately US$11.04 million (equivalent to approximately HK$86.01 million); and (ii) the Company conditionally agreed to subscribe and PRIP agreed to allot and issue 332,978 fully paid ordinary shares in the capital of PRIP (the "Subscription Shares") to the Company at a cash consideration of US$10.59 million (equivalent to approximately HK$82.55 million).

Subject to the fulfilment or waiver of the condition precedents, completion shall take place on or before 31 August 2017 by the following three phases until the Company effectively obtained approximately 51% of the enlarged issued share capital of PRIP and PRIP becomes a subsidiary of the Company: -

(i) For tranche one completion, 142,964 fully paid ordinary shares in the capital of PRIP be transferred to the Company upon receipt of an aggregate cash consideration of US$4,548,200 (equivalent to approximately HK$35.44 million) from the Company to the Vendors; upon which the Company shall obtain approximately 14.29% of the issue share capital of PRIP;

(ii) For tranche two completion, the Subscription Shares have been allotted and issued to the Company upon receipt of a cash consideration of US$10,593,229 (equivalent to approximately HK$82.55 million); upon which the Company shall obtain approximately 35.70% of the enlarged issued share capital of PRIP;

(iii) For tranche three completion, 203,975 fully paid ordinary shares in the capital of PRIP be transferred to the Company upon issuance of the 16,530,000 new shares at the issue price of approximately HK$3.06 to Sang Wong Lee; upon which the Company shall obtain approximately 51% of the enlarged issue share capital of PRIP.

On 29 May 2017, PRIP and Vendor 1 also entered into a trademark transfer and license agreement pursuant to which Vendor 1 agreed to transfer the legal and beneficial title of certain trademarks to PRIP, and PRIP shall grant an exclusive license for the use of those trademarks to Vendor 1 for an agreed monthly royalty. In addition, PRIP also entered into a share purchase agreement with the father of Vendor 1 to purchase 100% of the issued shares of a Korean subsidiary (the "Korean Subsidiary"). PRIP has further entered into a service agreement whereby it shall provide certain marketing services related to plastic surgery and medical cosmetics to the Korean Subsidiary in return for certain service fees while the Korean Subsidiary entered into a service agreement whereby it shall provide certain procurement, marketing and management services related to plastic surgery and medical cosmetics to Vendor 1 in return for certain service fees.

In addition, China's test-tube baby industry is also rapidly growing. According to Investigation Report on Current Infertility in China prepared by China Population Association and National Family Planning Commission, the number of infertile couples has been increasing at an annual rate of 5% and around 50 million people were suffered from infertility in 2016. Assuming that approximately 5% of the 50 million infertile people (i.e. 2.50 million people) adopt reproductive technology and take artificial insemination every year with the introduction of the second child policy, the ratio of test-tube babies to patients is about 1:4, and each patient receives two cycles of artificial insemination/test-tube baby treatment, the number of cases received artificial insemination, test-tube baby treatment cycles and assisted reproduction treatment cycles in the country amounted to 1.25 million, 3.75 million and 5 million, respectively in a year. As each average treatment cycle for artificial insemination and test-tube babies costs RMB5,000 and RMB30,000, it can be estimated that the assisted reproductive technology market in China has a size of RMB118.0 billion while the provision of assisted reproduction treatment cycles could only satisfy 1.06 million cases for the country in 2016. There is a huge gap and great room for growth in the market.

On 19 July 2017, the Company entered into a legally binding strategic cooperation framework agreement (the "Framework Agreement") with a recognized expert in the field of assisted reproductive technologies (the "JV Partner"), in relation to a possible joint venture to engage in the provision of fertility clinical services in the United States (the "Possible Joint Venture"). Pursuant to the Framework Agreement, the parties agreed, among other things, that (i) the clinical facility to be established and operated by the Possible Joint Venture shall be situated in the United States, (ii) the Company will contribute 100% of the total investment amount for the Possible Joint Venture, and (iii) the JV Partner shall be responsible for assembling a team of medical practitioners including doctors and researchers for the healthcare facility and building up the marketing team. The Possible Joint Venture will thus allow the Company to tap the under-met increasing demand for assisted reproductive IVF services and realise a new revenue stream to improve profitability.

The Group will continue to hold some trading securities and will monitor and make appropriate changes on the investment porfolio from time to time to cope with the economic environment. In addition, the Group will explore different short-term investment plans to improve its investment return by using the cash reserves on hand in different currencies. From time to time, there could be continued adjustments attributable to unrealised gains or losses arising from the fair value readjustments of the Group's trading securities and unrealised gains or losses on the revaluation of foreign currency cash deposits.

AUDIT COMMITTEE

The members of the Audit Committee of the Company comprise 3 independent non-executive Directors. The Audit Committee has reviewed the unaudited interim financial report of the Group for the Period with no disagreement.

CORPORATE GOVERNANCE CODE

In the opinion of the Directors, the Company has complied with the code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the Period.

The Company reviews its corporate governance practices from time to time to ensure compliance with the CG Code.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the "Model Code for Securities Transactions by Directors of Listed Issuers" as set out in Appendix 10 of the Listing Rules (the "Model Code") as its code of conduct regarding Directors' securities transactions. All Directors have confirmed that they have complied with the Model Code throughout the Period.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the Period.

By order of the Board
City e-Solutions Limited
Jiang Yulin
Chairman

Hong Kong, 29 August 2017

As at the date of this announcement, the Board comprises five directors of which Mr. Jiang Yulin and Ms. Zhang Xian are the executive directors; and Mr. Hu Baihe, Mr. Yuen Kwok Kuen and Mr. Guo Jingbin are the independent non-executive directors.