SUN HING PRINTING HOLDINGS LIMITED

新興印刷控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1975)

UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2017

The board of directors (the "Board") of Sun Hing Printing Holdings Limited (the "Company") are pleased to announce the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 31 December 2017, as follows:

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS

		For the six months ended 31 December	
		2017	2016
		(Unaudited)	(Unaudited)
	Notes	***HK$'000***	*HK$'000*
REVENUE	*3 & 4*	**151,230**	175,804
Cost of sales		**(100,755)**	(117,243)
Gross profit		**50,475**	58,561
Other income	*4*	**388**	174
Selling and distribution expenses		**(2,717)**	(2,453)
Administrative expenses		**(27,050)**	(23,775)
Other operating income, net		**860**	119
Listing expenses		**(14,427)**	(3,689)
PROFIT BEFORE TAX	*5*	**7,529**	28,937
Income tax expenses	*6*	**(4,033)**	(5,767)
PROFIT FOR THE PERIOD		**3,496**	23,170
EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	*7*	***HK cents***	*HK cents*
Basic and diluted		**0.90**	6.44

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the six months ended 31 December	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
PROFIT FOR THE PERIOD	**3,496**	23,170
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**2,548**	(1,555)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD, NET OF TAX	**2,548**	(1,555)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**6,044**	21,615

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2017 (Unaudited) HK$'000	30 June 2017 (Audited) HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**46,523**	47,703
Intangible asset		**2,700**	2,700
Prepayments and deposits		**4,427**	1,802
Deferred tax assets		**127**	127
Total non-current assets		**53,777**	52,332
CURRENT ASSETS			
Inventories		**15,159**	16,457
Trade receivables	*9*	**39,868**	51,083
Prepayments, deposits and other receivables		**6,752**	12,501
Time deposits with original maturity over three months when acquired		**73,529**	–
Restricted cash		**1,560**	1,550
Cash and cash equivalents		**136,595**	56,318
Total current assets		**273,463**	137,909
CURRENT LIABILITIES			
Trade payables	*10*	**13,327**	17,266
Other payables and accruals		**15,405**	18,768
Amounts due to directors		**3,835**	6,434
Tax payable		**10,668**	20,265
Total current liabilities		**43,235**	62,733
NET CURRENT ASSETS		**230,228**	75,176
TOTAL ASSETS LESS CURRENT LIABILITIES		**284,005**	127,508
NON-CURRENT LIABILITY			
Deferred tax liabilities		**243**	243
Net assets		**283,762**	127,265
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**4,800**	–
Reserves		**278,962**	127,265
Total equity		**283,762**	127,265

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. CORPORATION AND GROUP INFORMATION

Sun Hing Printing Holdings Limited (the "Company") is a limited liability company incorporated in the Cayman Islands. The registered address of the Company is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Caymans Islands. The principal place of business of the Company is located at 4/F., Sze Hing Industrial Building, 35–37 Lee Chung Street, Chai Wan, Hong Kong.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the "Group") were engaged in the manufacturing and sale of printing products.

These condensed consolidated interim financial statements (the "interim financial statements") are presented in thousands of Hong Kong dollars (HK$'000), unless otherwise stated. These interim financial statements were approved for issue by the Board of Directors (the "Board") on 13 February 2018.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim financial statements for the six months ended 31 December 2017 are prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities ("Listing Rules") on the Stock Exchange and with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. The interim financial statements are unaudited, but have been reviewed by the Audit Committee of the Company.

The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are the same as those used in the annual financial statements for the year ended 30 June 2017, except for the following revised Hong Kong Financial Reporting Standards (the "HKFRSs") that have been adopted by the Group for the first time for the current period's interim financial statements:

Amendments to HKAS 7	*Disclosure Initiative*
Amendments to HKAS 12	*Recognition of Deferred Tax Assets for Unrealised Losses*
Amendment to HKFRS 12 included in Annual improvements 2014–2016 cycle	*Disclosure of Interests In Other Entities*

The adoption of the above revised standards have had no significant financial effect on the interim financial statements.

The Group has not adopted the new or revised HKFRSs, that have been issued but are not yet effective for the current accounting period.

3. OPERATING SEGMENT INFORMATION

For management purposes, the Group has only one reportable operating segment which is the manufacture and sale of printing products. Since this is the only operating segment of the Group, no further operating segment analysis thereof is presented.

Geographical information

(a) Revenue from external customers

	For the six months ended 31 December	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Hong Kong	**91,507**	123,050
United States of America	**39,174**	33,053
Other countries	**20,549**	19,701
	151,230	175,804

The revenue information above is based on the locations of the customers.

(b) Non-current assets

No geographical information is presented as over 90% of the Group's non-current assets are located in Mainland China as at 31 December 2017 and 30 June 2017.

4. REVENUE AND OTHER INCOME

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts.

An analysis of the Group's other income is as follows:

	For the six months ended 31 December	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Other income		
Bank interest income	**380**	153
Others	**8**	21
	388	174

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	For the six months ended 31 December	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Cost of inventories sold[#]	**87,036**	82,051
Depreciation	**4,210**	4,136
Minimum lease payments under operating leases	**3,763**	3,753
Auditor's remuneration	**630**	342
Employee benefit expenses (excluding directors' and chief executive's remuneration):		
Wages and salaries	**27,424**	29,794
Pension scheme contributions	**(469)**	1,018
	26,955	30,812
Foreign exchange differences, net[*]	**(882)**	(119)
Loss on disposal of items of property, plants and equipment[*]	**22**	–

Cost of inventories sold includes HK$25,186,000 and HK$22,469,000 of employee benefit expenses, depreciation and minimum lease payments under operating leases which are also included in the respective total amounts disclosed above for each of these types of expenses for the six months period ended 31 December 2017 and 2016 respectively.

* These items are included in "Other operating income, net" on the face of the condensed consolidated statement of profit or loss.

6. INCOME TAX

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in such jurisdictions.

Hong Kong profits tax has been provided at the rate of 16.5% (2016: 16.5%) on the estimated assessable profits arising in Hong Kong for the six months ended 31 December 2017 and 2016. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	For the six months ended 31 December	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Current — Hong Kong		
Charge for the period	**3,043**	4,475
Current — elsewhere		
Charge for the period	**990**	1,127
	4,033	5,602
Deferred	**–**	165
Total tax charge for the period	**4,033**	5,767

7. EARNINGS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The calculation of basic earnings per share amount is based on the profit for the six months ended 31 December 2017 attributable to the equity holders of the Company of HK$3,496,000 (six months ended 31 December 2016: HK$23,170,000), and the weighted average number of ordinary shares of 390,000,000 (six months ended 31 December 2016: 360,000,000) in issue during the period, on the assumption that the reorganisation and the capitalisation issue in connection with the listing of the Company had been completed on 1 July 2016.

No adjustment has been made to the basic earnings per share amounts presented for the six months ended 31 December 2017 and 2016 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during these periods.

The calculations of basic and diluted earnings per share are based on:

	For the six months ended 31 December	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Profit attributable to equity holders of the Company	**3,496**	23,170
Weighted average number of ordinary shares in issue during the periods for calculation of basic and diluted earnings per share ('000)	**390,000**	360,000
	HK cents	*HK cents*
Basic and diluted earnings per share	**0.90**	6.44

8. DIVIDENDS

	For the six months ended 31 December	
	2017	2016
	(Unaudited)	(Unaudited)
	HK$'000	*HK$'000*
Special dividend	**–**	110,000

9. TRADE RECEIVABLES

	31 December 2017	30 June 2017
	(Unaudited)	(Audited)
	HK$'000	*HK$'000*
Trade receivables	**39,868**	51,083

The Group's trading terms with its customers are mainly on credit. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a policy to manage its risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aged analysis of the trade receivables as at 31 December 2017 and 30 June 2017 that are not individually nor collectively considered to be impaired is as follows:

	31 December 2017 (Unaudited) ***HK$'000***	30 June 2017 (Audited) *HK$'000*
Neither past due nor impaired	**33,624**	41,985
Less than 1 month past due	**3,892**	5,292
1 to 2 months past due	**2,265**	3,743
Over 2 months	**87**	63
	39,868	51,083

Receivables that were neither past due nor impaired relate to a number of independent customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balance as there has not been as significant change in credit quality and the balance are still considered fully recoverable.

10. TRADE PAYABLES

An aged analysis of the trade payables as at 31 December 2017 and 30 June 2017, based on the invoice date, is as follows:

	31 December 2017 (Unaudited) ***HK$'000***	30 June 2017 (Audited) *HK$'000*
Within 1 month	**6,116**	9,140
1 to 2 months	**6,871**	6,857
2 to 3 months	**258**	1,010
Over 3 months	**82**	259
	13,327	17,266

The trade payables are non-interest-bearing and are normally settled within three months.

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATION

The Group is a one-stop printing service provider. Our printing services can be broadly categorised into (i) packaging printing services which cover, among others, corrugated boxes, gift boxes, card boxes and product boxes; (ii) booklet printing services which cover, among others, instruction manuals, hardback books and booklets; (iii) card printing services which cover, among others, colour cards, insert cards, warranty cards and plain cards; and (iv) other printing services which cover, among others, stickers, colour papers, yupo papers, red packets and paper bags.

The printing industry is facing intense competition. In addition to the rising raw material costs and labor costs, and a stringent environmental protection policies implemented by the government of The People's Republic of China, the above factors poses challenges to the Group's business operations.

The Group's revenue decreased by approximately 14.0% to approximately HK$151.2 million for the six months period ended 31 December 2017 compared to the same period last year. The decrease is mainly due to the decrease in contribution from booklet printing. The gross profit also decreased by approximately 13.8% from approximately HK$58.6 million for the six months period ended 31 December 2016 to approximately HK$50.5 million for the six months period ended 31 December 2017, as a result of the decrease in revenue.

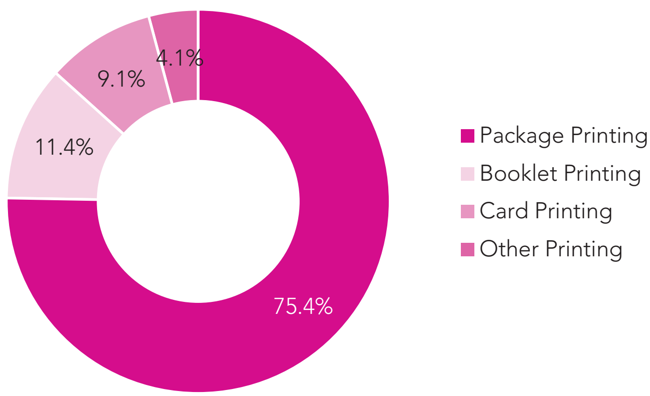
Following the decrease in revenue and the increase in paper costs, our gross profit margin remained stable at approximately 33.4% during the six months ended 31 December 2017. Our profit for the period decreased by approximately HK$19.7 million from approximately HK$23.2 million for the six months ended 31 December 2016 to approximately HK$3.5 million for the six months ended 31 December 2017, as a result of an one-off listing expenses of approximately HK$14.4 million recorded during the period as compared to approximately HK$3.7 million recorded during the corresponding period last year. The net profit margin decreased from approximately 13.2% for the six months ended 31 December 2016 to approximately 2.3% for the six months ended 31 December 2017.

Basic earnings per share was HK0.90 cents, compared to a basic earnings per share of HK6.44 cents for the corresponding period in 2016.

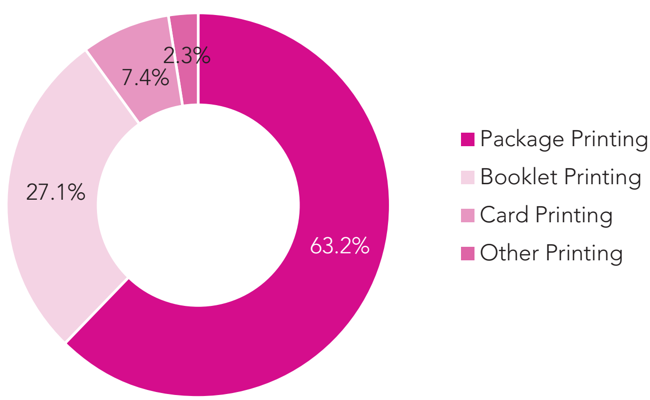
BUSINESS UNIT OVERVIEW

The Group comprises four key business units.

Revenue contribution for the six months ended 31 December 2017



Revenue contribution for the six months ended 31 December 2016



Packaging printing

Packaging printing services cover, among others, corrugated boxes, gift boxes, card boxes and product boxes. For the six months ended 31 December 2017, revenue from packaging printing increased by approximately 2.8% to approximately HK$114.0 million as compared to the same period in 2016.

Booklet printing

Booklet printing services cover, among others, instruction manuals, hardback books and booklets. For the six months ended 31 December 2017, revenue from booklet printing decreased by approximately 63.8% to approximately HK$17.3 million as compared to the same period in 2016. The decrease in revenue from booklet printing was mainly due to a reshuffle of clients and product cycles.

Card printing

Card printing services cover, among others, colour cards, insert cards, warranty cards and plain cards. For the six months ended 31 December 2017, revenue from card printing increased by approximately 5.0% to approximately HK$13.7 million as compared to the same period in 2016.

Other printing

Other printing services cover, among others, stickers, colour papers. yupo papers, red packets and paper bag. For the six months ended 31 December 2017, revenue from other printing increased by approximately 52.7% to approximately HK$6.2 million as compared to the same period in 2016.

OUTLOOK

On 16 November 2017, the Company was successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited, our management team has been focusing on pursuing growth opportunities and strengthening the operation of the business in preparation for the rapidly changing environment of the printing industry. In view of a challenging operating business environment, we plan to increase the categories of our value-added information technology-related services to be offered to our clients to include the inclusion of RFID labels, NFC tags and/or audioposter technology, on the printing products which we are also under negotiations with various suppliers on the supplies.

With the increase of the categories of value-added information technology-related services, our directors believe that we are able to enhance our existing clients' loyalty, differentiate ourselves from traditional printing factories and drive our revenue growth in the future. The application of value-added information technology is the development direction of future print products. The Group will grasp the advantages of pioneer and continue to allocate more resources in the development of related businesses. In addition, the Group will also acquire four printing presses and relocate to the new factory in the second half of 2018, which will help to expand the overall production capacity to meet the huge market demand for printing products. With the Group's experienced management team and reputation in the market, the directors consider the Group to be well-positioned for future challenges, with the introduction of value-added information technology, it will further facilitate the Group in expanding its business market and increasing its market share, laying a solid foundation for future profitability.

FINANCIAL REVIEW

ADMINISTRATIVE EXPENSES

Administrative expenses increased from approximately HK$23.8 million for the six months period ended 31 December 2016 to approximately HK$27.1 million for the six months period ended 31 December 2017. The increase in administrative expenses was primarily attributable to the professional fees and expenses incurred and an one-off donation made during the reporting period. Furthermore, there is higher salary of the directors and administrative staff as result of general salary increment during the reporting period.

SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses increased by approximately HK$0.2 million from approximately HK$2.5 million for the six months period ended 31 December 2016 to approximately HK$2.7 million for the six months period ended 31 December 2017. The increase in selling and distribution expenses was primarily due to higher transportation cost as a result of sales to the United States of America and other regions increased during the reporting period.

OTHER OPERATING INCOME

The other operating income was approximately HK$0.1 million for the six months period ended 31 December 2016 and increased to approximately HK$0.9 million the six months period ended 31 December 2017. The increase in the other operating income for the six months period ended 31 December 2017 was mainly due to more deposits denominated in foreign currencies were made during the reporting period and appreciation of such currencies was noted.

OTHER INCOME

Other income remained relatively stable for the six months periods ended 31 December 2017 and 2016, which are mainly bank interest income.

INCOME TAX EXPENSES

Income tax expenses decreased by approximately HK$1.7 million from approximately HK$5.7 million for the six months period ended 31 December 2016 to approximately HK$4.0 million for the six months period ended 31 December 2017. The effective tax rate for the six months period ended 31 December 2017 and 2016 are 53.6% and 19.9% respectively. If we exclude the one-off listing expenses, the effective tax rates for the six months period ended 31 December 2017 and 2016 are relatively stable at 18.4% and 17.7% respectively.

LIQUIDITY AND CAPITAL RESOURCES

Our net assets amounted to approximately HK$283.8 million and approximately HK$127.3 million as at 31 December 2017 and 30 June 2017 respectively. The increase in net assets was primarily due to the proceeds received from the offering of shares.

The Group derives its working capital mainly from cash and cash equivalents and time deposits with original maturity over three months when acquired, net cash generated from operating activities and financing activities. The directors expects that the Group will rely on the internally generated funds and unutilised net proceeds from the listing of the shares of the Company on The Stock Exchange of Hong Kong Limited on 16 November 2017, in the absence of unforeseen circumstances.

As at 31 December 2017, our cash and bank balances amounted to approximately HK$23.3 million (30 June 2017: approximately HK$51.0 million) and were mainly denominated in Hong Kong dollars; and our net current assets were mainly approximately HK$230.2 million (30 June 2017: approximately HK$75.2 million). The current ratio, being current assets over current liabilities, was approximately 6.3 times as at 31 December 2017, which increased from approximately 2.2 times as at 30 June 2017, mainly driven by the proceeds from the offering of shares.

As at 31 December 2017, the Group had approximately HK$24.9 million total cash on hand, of which approximately HK$1.6 million was restricted cash and denominated in US$. For the remaining approximately HK$23.3 million, approximately HK$12.8 million was denominated in HK Dollars, approximately HK$8.5 million was denominated in US Dollars, and approximately HK$2.0 million was denominated in Renminbi. The Group's cash in US Dollars and Renminbi was held to support its core operational needs. In addition, the Group had approximately HK$186.8 million of fixed time deposits with maturity within 12 months. For the fixed time deposits, approximately HK$125.0 million was denominated in HK Dollars, approximately HK$31.2 million was denominated in US Dollars, and the remaining was denominated in Renminbi.

As at 31 December 2017 and 30 June 2017, the Group did not have any interest-bearing bank borrowings, and thus the computation of the gearing ratios were not applicable as at 31 December 2017 and 30 June 2017. The Group had total available banking facility of approximately HK$1.6 million of which all of the banking facility was restricted and fully utilised as at 30 September 2017. The bank facility was related to bank guarantee upon request from one of our customers.

During the period, the Group recorded over HK$0.7 million in capital expenditure, which was mostly deployed for automation and equipment upgrades.

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

The Group did not have any material contingent liabilities and did not pledge any assets as at 31 December 2017 and 30 June 2017.

EVENT AFTER THE REPORTING PERIOD

Saved as disclosed above, the Group has no significant events after the reporting period up to the date of this announcement.

OUR EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2017, we had 628 employees in Hong Kong and the Mainland China. During the peak season namely from June to September for each year, in order to maximise our production capacity, we expand our employees for production, who are principally responsible for certain post-press processes and packaging which have to be done manually and cannot otherwise be achieved by automatic machines.

Our direct labour cost, including salaries, bonuses and other employee's benefits, amounted to approximately HK$14.7 million and approximately HK$17.5 million for the six months period ended 31 December 2017 and 2016, respectively. Remuneration packages are generally structured by reference to the market terms and individual qualifications. Salaries and wages are normally reviewed annually based on performance appraisals and other relevant factors.

DIVIDEND

The Board of directors do not recommend the payment of any interim dividend in respect of the six months period ended 31 December 2017 (six months period ended 31 December 2016: a special dividend of HK$110 million).

USE OF PROCEEDS

Net proceeds from the initial public offering were HK$124.0 million after deducting all the direct costs associated with the Listing.

As at 31 December 2017, none of the net proceeds was used. The Company intends to use the net proceeds to purchase four presses by stages, to relocate our Shenzhen Factory, to upgrade our enterprise resources planning (ERP) system and to fund the Group's general working capital, which is consistent with the said use of proceeds for the Group's expensing that was disclosed in the section headed "Future Plans and Use of Proceeds" in the Company's prospectus dated 2 November 2017 (the "Prospectus").

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF THE COMPANY

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the Company's code of conduct for dealings in securities of the Company by the directors. Based on specific enquiry of the Company's directors, the directors have confirmed that they have complied with the required standard of dealings as set out in the Model Code, since 16 November 2017 up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities since 16 November 2017 up to the date of this announcement.

CORPORATE GOVERNANCE

In the opinion of the Board of directors, the Company has complied with the applicable code provisions listed in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules since 16 November 2017 up to the date of this announcement.

DISCLOSURE OF CHANGES IN DIRECTORS' AND CHIEF EXECUTIVE'S INFORMATION PURSUANT TO RULE 13.51B(1) OF THE LISTING RULES

Pursuant to Rule 13.51B(1) of the Listing Rules, there are no changes in information of the directors and the Company's chief executive since 16 November 2017.

SHARE OPTION SCHEME

The Company conditionally adopted a share option scheme on 9 October 2017 (the "Scheme"). No share option has been granted since the adoption of the Scheme and there was no share option outstanding as at 31 December 2017.

AUDIT COMMITTEE

The audit committee of the Company comprises three independent non-executive directors, namely Mr. Ng Sze Yuen, Terry, Dr. Chu Po Kuen, Louis and Mr. Ho Yuk Chi. The audit committee of the Company has reviewed with no disagreements on the unaudited condensed consolidated interim results for the six months ended 31 December 2017 and the accounting principles and practices adopted by the Group.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This announcement is published on the website of Hong Kong Exchange and Clearing Limited at www.hkexnews.hk and the Company's website at www.sunhingprinting.com. The interim report of the Company for the six months ended 31 December 2017, containing information required by the Listing Rules, will be despatched to shareholders of the Company and published on the above websites in due course.

APPRECIATION

The Board would like to express its sincere appreciation to the shareholders, business partners and staff for their continuous support to the Group.

By Order of the Board
Sun Hing Printing Holdings Limited
Mr. Chan Peter Tit Sang
Chairman and Executive Director

Hong Kong, 13 February 2018

As at the date of this announcement, the Board comprises Mr. Chan Peter Tit Sang, Mr. Chan Kenneth Chi Kin, Mr. Chan Chi Ming and Mr. Chan Chun Sang, Desmond as executive directors; Mr. Ng Sze Yuen, Terry, Dr. Chu Po Kuen, Louis and Mr. Ho Yuk Chi as independent non-executive directors.