世界（集團）有限公司
WORLD HOUSEWARE (HOLDINGS) LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 713)

ANNOUNCEMENT OF INTERIM RESULTS 2018

The Board of Directors (the "Board") of World Houseware (Holdings) Limited (the "Company") hereby announces the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2018 together with the comparative figures for the corresponding period in 2017:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2018

	Notes	**1.1.2018 to 30.6.2018 *HK$'000* (unaudited)**	1.1.2017 to 30.6.2017 *HK$'000* (unaudited)
Turnover	*3*	**424,108**	386,475
Cost of sales		**(364,047)**	(330,804)
Gross profit		**60,061**	55,671
Other income		**4,677**	7,631
Other gains and losses	*4*	**19,890**	(5,889)
Selling and distribution costs		**(24,821)**	(19,541)
Administrative expenses		**(72,020)**	(56,825)
Impairment loss recognised on property, plant and equipment		**(25,619)**	(18,643)
Finance costs	*5*	**(6,430)**	(7,441)
Loss before taxation		**(44,262)**	(45,037)
Taxation	*6*	**(2,671)**	(4,354)
Loss for the period	*7*	**(46,933)**	(49,391)

	Notes	**1.1.2018 to 30.6.2018** ***HK$'000*** **(unaudited)**	1.1.2017 to 30.6.2017 *HK$'000* (unaudited)
Other comprehensive (expense) income:			
Item that may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of foreign operations		**(12,587)**	29,213
Total comprehensive expense for the period		**(59,520)**	(20,178)
Loss per share	*9*		
Basic and diluted		**HK(6.15) cents**	HK(6.52) cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2018

	Notes	30.6.2018 HK$'000 (unaudited)	31.12.2017 HK$'000 (audited)
Non-current assets			
Investment properties		**37,420**	34,910
Property, plant and equipment		**511,966**	539,677
Prepaid lease payments		**67,560**	69,616
Deposits paid for acquisition of property, plant and equipment		**26,816**	30,141
Deposit and prepayments for a life insurance policy		**49,606**	49,825
Long-term prepayment		**21,500**	21,500
		714,868	745,669
Current assets			
Inventories		**233,765**	172,069
Trade and other receivables	*10*	**356,363**	406,393
Taxation recoverable		**1,332**	1,332
Pledged bank deposits		**13,335**	20,602
Bank balances and cash		**31,853**	57,365
		636,648	657,761
Current liabilities			
Trade and other payables	*11*	**221,821**	239,435
Contract liabilities		**36,297**	–
Amount due to a director		**45,600**	45,600
Derivative financial instruments		**768**	–
Taxation payable		**3,521**	14,839
Obligations under finance leases – due within one year		**3,605**	3,930
Secured bank borrowings – due within one year		**257,828**	255,805
		569,440	559,609
Net current assets		**67,208**	98,152
Total assets less current liabilities		**782,076**	843,821

	Note	30.6.2018	31.12.2017
		HK$'000	*HK$'000*
		(unaudited)	(audited)
Non-current liabilities			
Obligations under finance leases			
– due after one year		**1,854**	3,468
Deferred taxation		**7,146**	7,286
Deposit received		**131,114**	131,894
		140,114	142,648
Net assets		**641,962**	701,173
Capital and reserves			
Share capital	*12*	**76,432**	76,332
Reserves		**565,530**	624,841
Total equity		**641,962**	701,173

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2018

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards ("HKFRSs"), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2018 are the same as those followed in the preparation of the annual financial statements of the Company and its subsidiaries (collectively referred as the "Group") for the year ended 31 December 2017.

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2018 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 9	Financial Instruments
HKFRS 15	Revenue from Contracts with Customers and the related Amendments
HK(IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts
Amendments to HKAS 28	As part of the Annual Improvements to HKFRSs 2014 – 2016 Cycle
Amendments to HKAS 40	Transfers of Investment Property

The new and amendments to HKFRSs have been applied in accordance with the relevant transition provisions in the respective standards and amendments which results in changes in accounting policies, amounts reported and/or disclosures as described below.

Impacts and changes in accounting policies of application on HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 for the first time in the current interim period. HKFRS 15 superseded HKAS 18 Revenue, HKAS 11 Construction Contracts and the related interpretations.

The Group recognises revenue from the following major sources:

- Manufacture and distribution of household products
- Manufacture and distribution of PVC pipes and fittings
- Provision of food waste recycling services

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application, 1 January 2018. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the Standard retrospectively only to contracts that are not completed at 1 January 2018. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 "Revenue" and HKAS 11 "Construction Contracts" and the related interpretations.

There are no material impact of transition to HKFRS 15 on the Group's condensed consolidated statement of profit or loss and other comprehensive income for the current interim period. The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2018. Line items that were not affected by the changes have not been included:

	Carrying amounts previously reported at 31 December 2017	**Reclassification**	**Carrying amounts under HKFRS 15 at 1 January 2018**
	HK$'000	*HK$'000*	*HK$'000*
Current Liabilities			
Trade and other payables	(239,435)	29,613	(209,822)
Contract liabilities	–	(29,613)	(29,613)

As at 1 January 2018, advances from customers of HK$29,613,000 in respect of manufacturing and distribution contracts previously included in trade and other payables were reclassified to contract liabilities as the Group has obligation to transfer goods or services to its customers for which the Group has received consideration from the customers.

Impacts and changes in accounting policies of application on HKFRS 9 Financial Instruments

In the current period, the Group has applied HKFRS 9 Financial Instruments and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9. i.e. applied the classification and measurement requirements (including impairment) retrospectively to instruments that have not been derecognised as at 1 January 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised as at 1 January 2018.

The directors of the Company reviewed and assessed the Group's financial assets as at 1 January 2018 based on the facts and circumstances that existed at that date. There is no changes in classification and measurement on the Group's financial assets.

As at 1 January 2018, the directors of the Company reviewed and assessed the Group's existing financial assets for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9. No additional credit loss allowance has been recognised against accumulated losses as the estimated allowance under the ECL model was not significantly different to impairment losses previously recognised under HKAS 39.

3. TURNOVER AND SEGMENT INFORMATION

The Group's operating and reportable segments under HKFRS 8 are as follows:

Household products	–	manufacture and distribution of household products
PVC pipes and fittings	–	manufacture and distribution of PVC pipes and fittings
Food waste recycling	–	food waste recycling business
Others	–	investment in properties

The following is an analysis of the Group's turnover and results by reportable and operating segments for the periods under review:

Six months ended 30 June 2018 (unaudited)

	Household products *HK$'000*	PVC pipes and fittings *HK$'000*	Food waste recycling *HK$'000*	Others *HK$'000*	Eliminations *HK$'000*	Consolidated *HK$'000*
Turnover						
Sales of goods recognised at a point in time						
External sales	103,489	315,189	–	–	–	418,678
Inter-segment sales	47	108	–	–	(155)	–
Service income recognised over time	–	–	3,289	–	–	3,289
Rental income	–	–	–	2,141	–	2,141
Total segment revenue	103,536	315,297	3,289	2,141	(155)	424,108
Segment profit (loss)	8,241	1,976	(38,802)	4,471	–	(24,114)
Imputed interest income from deposit placed for a life insurance policy						563
Interest income						133
Premium charges on a life insurance policy						(764)
Unallocated corporate expenses						(13,650)
Finance costs						(6,430)
Loss before taxation						(44,262)

Six months ended 30 June 2017 (unaudited)

	Household products HK$'000	PVC pipes and fittings HK$'000	Food waste recycling HK$'000	Others HK$'000	Eliminations HK$'000	Consolidated HK$'000
Turnover						
Sales of goods recognised at a point of time						
External sales	101,823	278,874	–	–	–	380,697
Inter-segment sales	530	80	–	–	(610)	–
Service income recognised over time	–	–	3,933	–	–	3,933
Rental income	–	–	–	1,845	–	1,845
Total segment revenue	102,353	278,954	3,933	1,845	(610)	386,475
Segment (loss) profit	(13,169)	13,209	(30,449)	3,944	–	(26,465)
Imputed interest income from deposit placed for a life insurance policy						551
Interest income						531
Premium charges on a life insurance policy						(753)
Unallocated corporate expenses						(11,460)
Finance costs						(7,441)
Loss before taxation						(45,037)

Inter-segment sales are charged at cost plus certain markup.

Segment profit (loss) represents the profit earned/(loss incurred) by each segment without allocation of certain administration costs, imputed interest income from deposit placed for a life insurance policy, interest income, premium charges on a life insurance policy and finance costs. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

4. OTHER GAINS AND LOSSES

	1.1.2018 to 30.6.2018	1.1.2017 to 30.6.2017
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Compensation for land redevelopment project	**13,861**	10,137
Net foreign exchange gain (loss)	**4,243**	(10,196)
Gain arising from changes in fair value of investment properties	**2,510**	2,270
Gain (loss) on disposal of property, plant and equipment	**44**	(8,100)
Loss on fair value change of foreign currency forward contracts	**(768)**	–
	19,890	(5,889)

5. FINANCE COSTS

	1.1.2018 to 30.6.2018	1.1.2017 to 30.6.2017
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Interest on:		
– bank borrowings	**5,899**	7,059
– finance leases	**160**	227
– amount due to a director	**656**	581
	6,715	7,867
Less: amount capitalised in the cost of qualifying assets	**(285)**	(426)
	6,430	7,441

6. TAXATION

	1.1.2018 to 30.6.2018	1.1.2017 to 30.6.2017
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
PRC Enterprise Income Tax ("EIT")	**2,789**	4,846
Deferred taxation credit	**(118)**	(492)
Taxation charge for the period	**2,671**	4,354

No provision for Hong Kong Profits Tax is made as the subsidiaries operating in Hong Kong has no assessable profit for both periods.

PRC EIT is calculated at the applicable rate of 25% in accordance with the relevant laws and regulations in the PRC.

Under the EIT Law of PRC, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has not been provided for in the condensed consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK$269,699,000 (for six months ended 30 June 2017: HK$207,877,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

7. LOSS FOR THE PERIOD

	1.1.2018 to 30.6.2018	1.1.2017 to 30.6.2017
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Loss for the period has been arrived at after charging:		
Amortisation of intangible assets (included in cost of sales)	**–**	5
Amortisation of prepaid lease payments	**1,241**	1,142
Depreciation of property, plant and equipment	**27,948**	30,508
Impairment loss recognised on property, plant and equipment	**25,619**	18,643
Impairment loss recognised on trade receivables	**15,248**	1,876
and after crediting:		
Gross rental income from investment properties	**2,141**	1,845
Less: Direct operating expenses that generated rental income	**(200)**	(128)
	1,941	1,717
Bank interest income	**133**	531
Imputed interest income from a deposit placed for a life insurance policy	**563**	551

8. DIVIDENDS

No final dividends in respect of the years ended 31 December 2017 and 31 December 2016 were paid, declared or proposed during the current or prior interim period. The directors have determined that no dividend will be paid in respect of the current interim period (for six months ended 30 June 2017: nil).

9. LOSS PER SHARE

The calculation of the basic and diluted loss per share for the six months ended 30 June 2018 is based on the loss for the period attributable to owners of the Company of HK$46,933,000 (for six months ended 30 June 2017: HK$49,391,000) and on weighted average number of ordinary shares of 763,498,740 (for six months ended 30 June 2017: 757,117,421) for the purpose of loss per share during the period.

The diluted loss per share for the period ended 30 June 2018 and 30 June 2017 has not been taken into account the effect of outstanding share options as their exercise would result in a decrease in loss per share.

10. TRADE AND OTHER RECEIVABLES

The Group allows credit periods ranging from 30 days to 180 days, depending on the products sold, to its trade customers.

The following is an aged analysis of the Group's trade receivables presented based on the invoice date, which approximated the revenue recognition date, net of allowance for doubtful debts, at the end of the reporting period:

	30.6.2018	31.12.2017
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0 – 30 days	**76,538**	97,650
31 – 60 days	**67,654**	97,276
61 – 90 days	**37,517**	68,338
91 – 180 days	**41,273**	54,212
Over 180 days	**87,304**	46,740
Trade receivables, net of allowance of doubtful debts	**310,286**	364,216
Prepayments for raw materials, deposits and other receivables	**42,158**	38,245
Prepaid lease payments	**2,373**	2,402
Deposit and prepayments for a life insurance policy	**1,546**	1,530
Total trade and other receivables	**356,363**	406,393

11. TRADE AND OTHER PAYABLES

The following is an aged analysis of the Group's trade payables presented based on the invoice date at the end of the reporting period:

	30.6.2018	31.12.2017
	HK$'000	*HK$'000*
	(unaudited)	(audited)
0 – 30 days	**67,975**	85,654
31 – 60 days	**48,484**	31,386
61 – 90 days	**23,036**	22,078
Over 90 days	**44,439**	25,214
Total trade and bills payables	**183,934**	164,332
Other payables	**37,887**	75,103
Total trade and other payables	**221,821**	239,435

12. SHARE CAPITAL

	Number of shares	**Amount**
		HK$'000
Ordinary shares of HK$0.1 each		
Authorised:		
At 1 January 2017, 30 June 2017, 1 January 2018 and 30 June 2018	1,500,000,000	150,000
Issued and fully paid:		
At 1 January 2017 and 30 June 2017	757,117,421	75,712
Exercise of share options *(note 1)*	6,200,000	620
At 31 December 2017	763,317,421	76,332
Exercise of share options *(note 2)*	1,000,000	100
At 30 June 2018	764,317,421	76,432

Notes:

1. During the year ended 31 December 2017, 1,600,000 shares of HK$0.1 each were issued to the share option holders at HK$0.237 per share upon exercise of the share options granted on 24 October 2011 and 4,600,000 shares of HK$0.1 each were issued at HK$0.309 per share upon exercise of the share options granted on 12 November 2012 under the share option scheme of the Company adopted on 10 June 2011 and all these shares rank pari passu with other ordinary shares of the Company in all respects.

2. During the six months ended 30 June 2018, 1,000,000 shares of HK$0.1 each were issued to the share option holders at HK$0.309 per share upon exercise of the share options granted on 12 November 2012 under the share option scheme of the Company adopted on 10 June 2011 and all these shares rank pari passu with other ordinary shares of the Company in all respects.

MANAGEMENT DISCUSSION AND ANALYSIS

Results

The Board of Directors (the "Board") of World Houseware (Holdings) Limited (the "Company") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 June 2018. This interim results announcement has been approved by the Board and the Audit Committee of the Company.

- The Group recorded a consolidated turnover of HK$424,108,000 for the six months ended 30 June 2018, representing an increase of 9.7% or HK37,633,000 as compared to HK$386,475,000 of the same period last year.

- Gross profit of the Group was HK$60,061,000, representing an increase of 7.9% or HK$4,390,000 as compared to HK$55,671,000 of the same period last year. The gross profit margin was 14.2%, representing a decrease of 0.2% as compared to 14.4% of the same period last year.

- Loss for the period was HK$46,933,000, as compared to a loss of HK$49,391,000 for the same period last year.

- Basic loss per share was HK6.15 cents, as compared to basic loss per share of HK6.52 cents for the same period last year.

- The Board does not propose any payment of interim dividends for the six months ended 30 June 2018.

BUSINESS REVIEW

During the period of business review, the Group had engaged in the household products, PVC pipes manufacturing and the feed production from food waste recycling business.

For the household products business, the Group had timely handed over its production factory at Pingshan Shenzhen ("Pingshan Factory") to the co-operating developer for urban re-development project before 31 December 2017 according to their mutual agreement. Following the amalgamation of its Pingshan production manufacturing operation with Zhongshan factory the production cost had been reduced. In addition, with the monetary compensation and the reallocation of new properties to the Group by the co-operating developer upon redevelopment, more gains will be generated to the Group. In the meantime, the urban redevelopment project is progressing smoothly. The removal of Pingshan Factory and the amalgamation of the Zhongshan factory had been completed in December 2017. New machineries have to be purchased and installed and severance payment had to be paid to certain employees affected. However with the effort of the group to streamline the management and to reasonably revise the production cost to strengthen the market competition, there is a slightly increased of the turnover for 1.6% when comparing with the same period last year. There is a gradual improvement of the business than that before the amalgamation of the two factories.

For PVC pipe manufacturing business, the business turnover has increased by 13% when comparing with the same period last year. The business is rather steady and has contributed profit to the Group.

For the feed production from food waste recycling business, the business turnover has deceased by 16.4% when comparing with the same period last year. The business could not reach the target and recorded deficit. The Board will try to improve and raise the efficiency of the business.

For the property investment during the period under review, the gain arising form changes in fair value of investment properties was HK$2,510,000.

PROSPECTS

Looking to the future, for household products business the Group will continue to enhance streamlined management and revise reasonable production cost so as to increase efficiency and the profit.

For PVC pipe production it is expected that there will be steady growth of its production.

For feed production from food waste recycling business, the Group will actively promote this business and co-operate with renowned international scientific technological organizations to research on the usage of feed production from food waste recycling so as to improve productivity and to enhance production and sales varieties. The Group will try to expedite the development of its business as there are many opportunities in future.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

The Group finances its operations from internally generated cash flows, terms loans and trade finance facilities provided by banks in Hong Kong and the PRC. At 30 June 2018, the Group had bank balances and cash and pledged bank deposits of approximately HK$45,188,000 (31.12.2017: HK$77,967,000) and had interest-bearing bank borrowings of approximately HK$257,828,000 (31.12.2017: HK255,805,000). The Group's interest-bearing bank borrowings were mainly computed at Hong Kong Inter-Bank Offering Rate plus a margin. The Group's total banking facilities available as at 30 June 2018 amounted to HK$600,886,000; of which HK$257,828,000 of the banking facilities was utilised (utilisation rate was at 42.9%).

The Group continued to conduct its business transactions principally in Hong Kong dollars, US dollars and Renminbi. The Group's exposure to the foreign exchange fluctuations has not experienced any material difficulties in the operations or liquidity as a result of fluctuations in currency exchange.

At 30 June 2018, the Group had current assets of approximately HK$636,648,000 (31.12.2017: HK$657,761,000). The Group's current ratio was approximately 1.12 as at 30 June 2018 as compared with approximately 1.18 as at 31 December 2017. Total shareholders' funds of the Group as at 30 June 2018 decreased by 8.4% to HK$641,962,000 (31.12.2017: HK$701,173,000). The gearing ratio (measured as total liabilities/total shareholders' funds) of the Group as at 30 June 2018 was 1.1 (31.12.2017: 1.00).

CHARGES ON ASSETS

Certain leasehold land and buildings, investment properties, prepaid lease payments, deposit and prepayments for a life insurance policy and bank deposits with an aggregate net book value of HK$254,143,000 (31.12.2017: HK$258,954,000) were pledged to banks for general banking facilities granted to the Group.

STAFF AND EMPLOYMENT

At 30 June 2018, the Group employed a total workforce of about 1,045 (30.6.2017: 1,288) including 992 staff in our factories located in the PRC. The total staff remuneration incurred during the period was HK$41,210,000 (30.6.2017: HK$41,830,000). It is the Group's policy to review its employees' pay levels and performance bonus system regularly to ensure that the remuneration policy is competitive within the relevant industries. It is the Group's policy to encourage its subsidiaries to send the management and staff to attend training classes or seminars that related to the Group's business. Tailor made internal training programmes were also provided to staff in our PRC factories.

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

During the six months ended 30 June 2018, there were no purchases, sales or redemption by the Company, or any of its subsidiaries, of the Company's listed securities.

AUDIT COMMITTEE

The Audit Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters including the review of the unaudited interim results for the six months ended 30 June 2018. The unaudited interim results have also been reviewed by the Company's external auditor.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the Directors' opinion, the Company has applied the principles and complied with all the applicable code provisions as set out in the Code on Corporate Governance Practices as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited for the first six months ended 30 June 2018.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard set out in Appendix 10 of the Listing Rules (the "Model Code"). Having made specific enquiry of all the directors, all the directors confirmed that they have complied with the required standard set out in the Model Code and the code of conduct regarding securities transactions by directors adopted by the Company.

PUBLICATION OF INTERIM REPORT

The 2018 Interim Report of the Company containing all the information as required by Appendix 16 of the Listing Rules will be published on the Company's website at www.worldhse.com and the website of Hong Kong Exchanges and Clearing Limited, while printed copies will be sent to shareholders of the Company as soon as practicable.

By Order of the Board
Lee Tat Hing
Chairman

Hong Kong, 24 August 2018

As at the date of this announcement, the executive directors of the Company are Mr. Lee Tat Hing, Madam Fung Mei Po, Mr. Lee Chun Sing, Mr. Lee Pak Tung, Mr. Lee Kwok Sing Stanley; the non-executive director of the Company is Mr. Cheung Tze Man Edward; the independent non-executive directors of the Company are Mr. Tsui Chi Him Steve, Mr. Hui Chi Kuen Thomas, Mr. Ho Tak Kay and Mr. Shang Sze Ming.