CNNC INTERNATIONAL LIMITED

中 核 國 際 有 限 公 司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2302)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30TH JUNE, 2019

The Board of Directors (the "Board") of CNNC International Limited (the "Company") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (the "Group") for the six months ended 30th June, 2019 (the "Period"), together with comparative figures for the corresponding period of 2018, as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30th June, 2019

		Six months ended 30th June,	
		2019	2018
	NOTES	***HK$'000***	*HK$'000*
		(unaudited)	(unaudited)
Revenue	3	**1,187,537**	717,899
Cost of sales		**(1,172,465)**	(711,694)
Gross profit		**15,072**	6,205
Other income and exchange gains, net		**1,107**	1,910
Selling and distribution expenses		**(1,141)**	(1,224)
Administrative expenses		**(8,144)**	(6,623)
Finance costs		**(4,574)**	—
Profit before taxation		**2,320**	268
Income tax (expense) credit	4	**(37)**	4,978
Profit for the period attributable to owners of the Company	5	**2,283**	5,246
Other comprehensive income that will not be reclassified subsequently to profit or loss			
Exchange differences arising on translation to presentation currency		**820**	648
Fair value gain on an equity investment at fair value through other comprehensive income ("FVTOCI")		**16,846**	—
Total comprehensive income for the period, attributable to owners of the Company		**19,949**	5,894
Basic earnings per share	7	**HK0.47 cent**	HK1.07 cents

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 30th June, 2019

	NOTES	30th June, 2019 HK$'000 (unaudited)	31st December, 2018 HK$'000 (audited)
Non-current assets			
Property, plant and equipment		**14,893**	15,048
Exploration and evaluation assets		**211,188**	211,151
Investment in equity instrument at FVTOCI		**462,931**	—
Deposit paid for acquisition of equity instrument at FVTOCI		**—**	2,561
		689,012	228,760
Current assets			
Inventories		**274,380**	100,380
Trade and other receivables and prepayments	8	**67,942**	103,710
Bank balances and cash		**59,382**	177,917
		401,704	382,007
Current liabilities			
Trade, bills and other payables and accruals	9	**39,070**	24,549
Contract liabilities		**64,490**	15,520
Bank borrowings		**108,086**	—
Amount due to ultimate holding company		**1,974**	1,977
Amount due to an intermediate holding company		**1,908**	1,910
Amounts due to fellow subsidiaries		**134**	117
		215,662	44,073
Net current assets		**186,042**	337,934
Total assets less current liabilities		**875,054**	566,694
Non-current liability			
Bank borrowings		**288,411**	—
		586,643	566,694
Capital and reserves			
Share capital		**4,892**	4,892
Reserves		**581,751**	561,802
Equity attributable to owners of the Company		**586,643**	566,694

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30th June, 2019

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") as well as with 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.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30th June, 2019 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31st December, 2018.

Application of new accounting policy in respect of investments in equity instruments at fair value through other comprehensive income ("FVTOCI")

Investments in equity instruments at FVTOCI is subsequently measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the FVTOCI reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investment, and will be transferred to accumulated losses.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other income" line item in profit or loss.

Application of new and amendments to Hong Kong Financial Reporting Standards ("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 1st January, 2019 for the preparation of the Group's condensed consolidated financial statements:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

2.1 Impacts and changes in accounting policies of application on HKFRS 16 Leases

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 *Leases* ("HKAS 17"), and the related interpretations.

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1st January, 2019.

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

i. relied on the assessment of whether leases are onerous by applying HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* as an alternative of impairment review;

ii. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;

iii. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1st January, 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

The Group did not recognise lease liabilities and right-of-use assets at 1st January, 2019.

3. REVENUE AND SEGMENT INFORMATION

Information reported to the Group's executive director, being the chief operating decision maker, for the purposes of resources allocation and assessment of segment performance focuses on the types of goods or services delivered or provided. The Group currently organises its operations into three operating divisions, which also represent the operating segments of the Group for financial reporting purposes, namely trading of mineral property, exploration and selling of mineral properties and supply chain. They represent three major lines of business engaged by the Group. The Group's operating and reportable segments under HKFRS 8 are as follows:

- Trading of mineral property — trading of uranium

- Exploration and selling of mineral properties — exploration and selling of uranium

- Supply chain — trading of electronics and other products, including, but not limited to trading of liquid crystal displays, flash drives, memory cards, metal products, etc and provision of supply chain services

The following is an analysis for the Group's revenue and results regarding the reportable and operating segments for the current and prior periods:

	Six months ended 30th June, 2019			
	Trading of mineral property	**Exploration and selling of mineral properties**	**Supply chain**	**Consolidated**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
	(unaudited)	**(unaudited)**	**(unaudited)**	**(unaudited)**
Segment revenue	**175,977**	**—**	**1,011,560**	**1,187,537**
Segment profit (loss)	**3,093**	**(2,860)**	**8,085**	**8,318**
Unallocated other income and gains				**1,107**
Central administration costs				**(2,531)**
Finance costs				**(4,574)**
Profit before taxation				**2,320**

	Six months ended 30th June, 2018			
	Trading of mineral property	Exploration and selling of mineral properties	Supply chain	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
	(unaudited)	(unaudited)	(unaudited)	(unaudited)
Segment revenue	231,274	—	486,625	717,899
Segment profit (loss)	1,469	(3,327)	2,348	490
Unallocated other income and gains				1,562
Central administration costs				(1,784)
Profit before taxation				268

Segment profit (loss) represents the profit earned or loss incurred by each segment without allocation of interest income, central administration costs and finance costs.

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

	30th June, 2019	31st December, 2018
	HK$'000	*HK$'000*
	(unaudited)	(audited)
ASSETS		
Segment assets		
— Trading of mineral property	**13,647**	204,636
— Exploration and selling of mineral properties	**229,700**	228,908
— Supply chain	**376,819**	165,822
	620,166	599,366
Unallocated corporate assets	**470,550**	11,401
Consolidated assets	**1,090,716**	610,767
LIABILITIES		
Segment liabilities		
— Trading of mineral property	**3,216**	3,373
— Exploration and selling of mineral properties	**17,611**	16,425
— Supply chain	**191,569**	22,629
	212,396	42,427
Unallocated corporate liabilities	**291,677**	1,646
Consolidated liabilities	**504,073**	44,073

For the purposes of monitoring segment performance and allocating resources:

- Segment assets include property, plant and equipment, exploration and evaluation assets, inventories, trade and other receivables and prepayments and bank balances and cash which are directly attributable to the relevant reportable segment.

- Segment liabilities include trade and other payables and accruals, contract liabilities, notes payable and amounts due to the ultimate holding company, an intermediate holding company and fellow subsidiaries which are directly attributable to the relevant reportable segment.

4. INCOME TAX (EXPENSE) CREDIT

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods. No provision for Hong Kong Profits Tax has been made in the condensed consolidated financial statements as the assessable profits were wholly absorbed by tax losses brought forward.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

	Six months ended 30th June,	
	2019	2018
	HK$'000	*HK$'000*
	(unaudited)	(audited)
The (charge) credit comprises:		
PRC Enterprise Income Tax ("EIT")	**(37)**	—
Write-back of EIT provision in prior years	**—**	4,978
	(37)	4,978

5. PROFIT FOR THE PERIOD

	Six months ended 30th June,	
	2019	2018
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit for the period has been arrived at after charging (crediting):		
Depreciation of property, plant and equipment	**311**	687
Gain on disposal of property, plant and equipment	**(161)**	—
Net exchange gains	**(238)**	(338)
Interest income	**(633)**	(1,562)

6. DIVIDENDS

No dividends were paid, declared or proposed during the current and prior periods. The directors have determined that no dividend will be paid in respect of the current interim period.

7. BASIC EARNINGS PER SHARE

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

	Six months ended 30th June,	
	2019	2018
	HK$'000	*HK$'000*
	(unaudited)	(unaudited)
Profit for the period attributable to owners of the Company	**2,283**	5,246

	Six months ended 30th June,	
	2019	2018
Number of ordinary shares for the purpose of basic earnings per share	**489,168,308**	489,168,308

8. TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

The Group allows a credit period of up to 30 days to its trade customers. The following is an aged analysis of trade receivables presented based on the invoice date, which approximated the revenue recognition date at the end of the reporting period:

	30th June, 2019	31st December, 2018
	HK$'000	*HK$'000*
	(unaudited)	(audited)
Trade receivables — aged 0 to 30 days	**46,859**	21,611
Other receivables	**20,974**	48,577
Deposits paid	**109**	82
Prepayments	**—**	33,440
	67,942	103,710

9. TRADE, BILLS AND OTHER PAYABLES AND ACCRUALS

As at 30th June, 2019, approximately HK$21,011,000 of trade and bills payable are included in trade, bills and other payables and accruals (31st December, 2018: Nil). The age of the amount was within 30 days at the end of the reporting period.

MANAGEMENT DISCUSSION & ANALYSIS

Results

For the six months ended 30th June, 2019 (the "Period"), the Group has recorded a substantial increase in revenue from trading of natural uranium and supply chain business of approximately HK$1,187,537,000 (2018 Period: approximately HK$717,899,000) over the corresponding period last year ("2018 Period"). The significant increase in revenue is due to the increase in revenue generated from the trading business of electronics products and other products. During the Period, a net profit of approximately HK$2,283,000 (2018 Period: approximately HK$5,246,000) was recorded. The net profit for the Period was less than that of the 2018 Period due to (i) the finance costs incurred for the investment in CNNC Financial Leasing Company Limited ("CNNC Leasing"); and (ii) the absence of write-back of tax provision during the Period (amount of write-back of tax provision in the 2018 Period: approximately HK$4,978,000).

Market and Business Overview

During the Period, the Group has continued its business of exploration and trading of mineral properties, the provision of supply chain management services, including the trading of electronics and other products (such as liquid crystal displays, flash drives, memory cards, metal raw materials etc), and completed its investments of approximately 18.45% of the registered capital of CNNC Leasing. Despite the uncertainty resulted from the Sino-US trade war, the Group is able to record a significant increase in turnover. The Group has also been successful in obtaining bank loans for its investment in CNNC Leasing and trading activities to support its business expansion.

Operations

During the Period, the Group recorded a "Revenue" and "Cost of sales" of approximately HK$1,187,537,000 (2018 Period: approximately HK$717,899,000) and approximately HK$1,172,465,000 (2018 Period: approximately HK$711,694,000) respectively, an increase of approximately 65% in both "Revenue" and "Cost of sales", which resulted in a "Gross profit" of approximately HK$15,072,000 (2018 Period: approximately HK$6,205,000), a substantial increase of approximately 143% over the corresponding period last year. The significant increase in revenue and gross profit is due to the significant increase in revenue generated from the business of trading of electronics products and other products (which are covered under the supply chain segment).

During the Period, "Other income and exchange gains, net" of approximately HK$1,107,000 (2018 Period: approximately HK$1,910,000) were mainly from interest income, a decrease of approximately 42% over the 2018 Period due to the fact that the Group has utilized over HK$154 million of its available fund to complete the investment in CNNC Leasing in February 2019 and therefore the amount of fund available for deposit to generate interest income has been reduced.

Although the Revenue has increased substantially during the Period, the "Selling and distributing expenses" has been reduced slightly to approximately HK$1,141,000 (2018 Period: approximately HK$1,224,000). However, the "Administrative expenses" which amounted to approximately HK$8,144,000 (2018 Period: approximately HK$6,623,000) has increased approximately 23% due to the expansion of the administrative office to manage the expanded business activities and explore the investment opportunities during the Period.

During the Period, the Group incurred "Finance Costs" of approximately HK$4,574,000 (2018 Period: nil) mainly for interests and costs incurred in the investment in CNNC Leasing. A PRC enterprise income tax of approximately HK$37,000 was incurred during the Period for the Group's business operation in the PRC, whilst there was a write-back of tax provision in the 2018 Period of approximately HK$4,978,000.

Total comprehensive income for the Period

Summing up the combined effects of the foregoing, profit for the Period was approximately HK$2,283,000 (2018 Period: approximately HK$5,246,000). After taking into account of the other comprehensive income that will not be reclassified subsequently to profit or loss, for the amounts of approximately HK$820,000 (2018 Period: approximately HK$648,000) relating to exchange differences arising from translation to presentation currency and approximately HK$16,846,000 (2018 Period: nil) relating to the fair value gain on investment in CNNC Leasing, the total comprehensive income for the Period was approximately HK$19,949,000 (2018 Period: approximately HK$5,894,000).

Future Strategies and Prospects

During the Period the Group has recorded a significant increase in revenue, the Group will continue to develop its natural uranium trading and supply chain management business, and will be proactive in expanding and diversifying its trading activities in other products including plastics materials and metal products, etc. with a view to increase returns for the Group. However, the increase of magnitude in revenue to be generated from the supply chain management business in the second half of 2019 may not be as substantial as that during the Period due to the Sino-US trade war which adds uncertainty in the trading of electronics products business in the PRC.

As mentioned in the announcement dated 26th February, 2019 of the Company, the Group has completed its investment in 18.45% interest in CNNC Leasing. By leveraging on the market expertise and size of the shareholders of CNNC Leasing including China National Nuclear Corporation ("CNNC"), the ultimate holding company of the Company, a market leader in the nuclear energy market, the management believes that CNNC Leasing could be able to develop into a promising business and generate satisfactory returns to its shareholders.

The Group will continue to negotiate with the Mongolian Government for the setting up of a joint venture company for the project. The Group will endeavour to expedite the process although the project has not been, to a material extent, adversely affected by its slow progress, as the market price of natural uranium products has remained low during the Period.

In August 2019, the Group entered into the Strategic Agreement with CNNC Industry Fund Management Corporation ("CNNC Fund"), an affiliate of CNNC, pursuant to which, among other things, the Group has the right (but not the obligation) to participate or invest in projects relating to the development of nuclear electricity overseas, application of nuclear technologies, nuclear industry chain and new technologies offered by CNNC Fund. The Group aims to expand and diversify its business by leveraging on the strengths of CNNC, in the field of nuclear energy, to develop project with reasonable returns for the Group and continues to explore other possible investment opportunities.

Human Resources Management

As at 30th June, 2019, the Group employed 21 full-time employees. The Group's remuneration package is determined with reference to the experience and qualifications of the individual's performance. The Group also ensures that all employees are provided with adequate training and continued professional opportunities according to their needs.

Liquidity and Financial Resources

The Group recorded a net cash outflow of approximately HK$118,598,000 (2018 Period: approximately HK$163,331,000) during the Period, which was mainly due to the investment in CNNC Leasing and the payment of inventories. The Group's financial position remained healthy. The gearing ratio, which is represented by the ratio of total debts to total assets, due to the bank loans utilized for the Group's investment and trading activities, has increased to approximately 0.46 as at 30th June, 2019 (as at 31st December, 2018: approximately 0.07).

The working capital of the Group was generally financed by bank loans and bank and cash balance. As at 30th June, 2019 mainly due to the utilization of the Group's funds on investment, the Group's bank balances and cash have been reduced to approximately HK$59,382,000 (as at 31st December, 2018: approximately HK$177,917,000) and the Group has total outstanding bank loans of approximately HK$396,497,000 at variable interest rates ranging from 3.39% to 5.00% per annum (as at 31st December, 2018: nil). At 30th June 2019, the Group's net current assets and current liabilities were approximately HK$186,042,000 (as at 31st December, 2018: approximately HK$337,934,000) and approximately HK$215,662,000 (as at 31st December, 2018: approximately HK$44,073,000) respectively.

Total shareholders' funds increased from approximately HK$566,694,000 as at 31st December, 2018 to approximately HK$586,643,000 as at 30th June, 2019, as a result of the increase of total comprehensive income during the Period.

Acquisitions and Disposals of Subsidiaries and Associated Companies

Apart from the completion of investment in CNNC Leasing as mentioned in the announcement of the Company dated 26th February, 2019, there were no material acquisitions and disposals of subsidiaries and associated companies for the Period.

Exposure to Foreign Exchange Risk

The Group's income, cost of sales, administrative expenses, finance costs, investment and borrowings are mainly denominated in USD, HKD, Mongolian Tugrik and RMB. Fluctuations of the exchange rates of Mongolian Tugrik and RMB could affect the operating costs of the Group. Currencies other than Mongolian Tugrik and RMB were relatively stable during the Period. The Group currently does not have a foreign currency hedging policy. However, management will continue to monitor foreign exchange exposure and will take prudence measure to minimise the currency translation risk. The Group will consider hedging significant foreign currency exposure should the need arise.

Capital Structure

There has been no significant change in the capital structure of the Group since 31st December, 2018.

Charge on Assets

The 37.2% of the share capital in Société des Mines d'Azelik S.A. ("Somina") held by a wholly owned subsidiary of the Company, Ideal Mining Limited, was pledged to a bank for banking facilities granted to Somina. As security for banking facilities granted to the Group for its approximately 18.45% investment in CNNC Leasing ("Investment Interest"), the following was charged on the Group: (i) the Investment Interest; (ii) the

100% share capital in CNNC International (HK) Limited ("CNNC (HK)") (a wholly owned subsidiary of the Company and the holder of the Investment Interest); (iii) the dividend payment of CNNC Leasing; and (iv) certain bank account(s) of CNNC (HK). Apart from the above, there was no charge on the Group's assets during the Period (2018 Period: apart from the shares in Somina, nil).

Interim Dividend

The Board of Directors does not recommend the payment of an interim dividend for the Period (2018 Period: nil).

Purchase, Sale or Redemption of the Company's Listed Securities

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

Code on Corporate Governance Practices

The Company has complied with the code provisions laid down in the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") throughout the Period.

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 Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") of the Listing Rules. The Company has received confirmation from all Directors 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 throughout the Period.

Audit Committee

An Audit Committee has been established by the Company for the purpose of reviewing and providing supervision on the financial reporting process and internal control of the Group. The Audit Committee comprises three Independent Non-executive Directors namely, Mr. Cheong Ying Chew Henry, Mr. Cui Liguo and Mr. Zhang Lei, and one Non-executive director namely Mr. Li Zhihuang. Mr. Cheong Ying Chew Henry is the Chairman of the Audit Committee. The Group's interim results for the Period and the accounting principles and practices adopted by the Group have been reviewed by the Audit Committee.

Remuneration Committee

In accordance with the requirements of the CG Code, a Remuneration Committee has been established by the Company to consider the remuneration of Directors of the Company. The Remuneration Committee comprises three Independent Non-executive Directors namely Mr. Cheong Ying Chew Henry, Mr. Cui Liguo and Mr. Zhang Lei, one Executive Director namely Mr. Cheng Lei and one Non-executive Director namely Mr. Li Zhihuang. Mr. Cui Liguo is the Chairman of the Remuneration Committee.

Nomination Committee

In accordance with the requirements of the CG Code, a Nomination Committee has been established by the Company to review the structure of the Board and identify individuals suitably qualified to become Board Members. The Nomination Committee comprises three Independent Non-executive Directors namely Mr. Cheong Ying Chew Henry, Mr. Cui Liguo and Mr. Zhang Lei, one Executive Director namely Mr. Cheng Lei and one Non-executive Director namely Mr. Yang Chaodong. Mr. Yang Chaodong is the Chairman of the Nomination Committee.

Disclosure of Information on the Website of The Stock Exchange

The electronic version of this announcement will be published on the website of the Stock Exchange (http://www.hkexnews.hk). An interim report for the six months ended 30th June, 2019 containing all the information required by Appendix 16 of the Listing Rules will be despatched to shareholders and published on the website of the Stock Exchange as well as the Company in due course.

Appreciation

The Board would like to take this opportunity to thank our shareholders, the management and our staff members for their dedication and support.

On behalf of the Board
CNNC International Limited
中核國際有限公司
Chairman
Yang Chaodong

Hong Kong, 29th August, 2019

As of the date of this announcement, the Board comprises non-executive Director and Chairman, namely, Mr. Yang Chaodong, executive Director and Chief Executive Officer, namely, Mr. Cheng Lei, non-executive Director, namely, Mr. Li Zhihuang and independent non-executive Directors, namely, Mr. Cheong Ying Chew Henry, Mr. Cui Liguo and Mr. Zhang Lei.