First Quarterly Report 2011

China Railway Logistics Limited
中國鐵路貨運有限公司*

(incorporated in Bermuda with limited liability)

Stock Code: 8089

* *For identification purpose only*

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (the "Stock Exchange")

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This report, for which the directors (the "Directors") of China Railway Logistics Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange ("GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

The board of directors (the "Board") of China Railway Logistics Limited (the "Company") hereby announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "Group") for the three months ended 31 March 2011, together with the comparative figures for the corresponding period in year 2010, as follows:

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	Three months ended 31 March 2011 (Unaudited) HK$'000	2010 (Unaudited) HK$'000 (Restated)
Turnover	3	**11,986**	6,538
Revenue	3	**11,986**	6,538
Cost of sales		**(620)**	(1,069)
Gross profit		**11,366**	5,469
Other income	3	**23**	194
Distribution and selling expenses		**(5)**	(8)
Administrative expenses		**(9,425)**	(8,080)
Loss arising from fair value changes of investments held for trading		**(881)**	(58,650)
Gain on disposal of convertible instruments designated at financial assets at fair value through profit or loss		**–**	563
Loss arising from fair value changes of convertible instruments designated at financial assets at fair value through profit or loss		**(528)**	(16,239)
Gain on deconsolidation of a subsidiary	9	**–**	414,302
Share of (loss) profit of a jointly controlled entity		**(210)**	261
Finance costs	4	**(28)**	–
Profit before tax	5	**312**	337,812
Income tax expense	6	**–**	(14,335)
Profit for the period		**312**	323,477

	Note	Three months ended 31 March 2011 (Unaudited) HK$'000	2010 (Unaudited) HK$'000 (Restated)
Other comprehensive income			
Fair value (loss) gain on available-for-sale financial assets		**(329)**	1,071
Exchange differences on translating foreign operations		**827**	519
Other comprehensive income for the period		**498**	1,590
Total comprehensive income for the period		**810**	325,067
Profit (loss) for the period attributable to:			
– Owners of the Company		**351**	323,429
– Non-controlling interests		**(39)**	48
		312	323,477
Total comprehensive income (expense) attributable to:			
– Owners of the Company		**849**	325,019
– Non-controlling interests		**(39)**	48
		810	325,067
Earnings per share			
– Basic	8	**0.06 cent**	57.36 cents
– Diluted	8	**0.06 cent**	57.36 cents

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2011

	Share capital	Share premium	Contributed surplus	Share options reserve	Investment revaluation reserve	Capital reserve (Note)	Warrant reserve	Exchange translation reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interests	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 January 2010 audited)	564	2,854,452	7,914	3,590	951	6,898	3,300	(98)	(1,950,033)	927,538	17,335	944,873
Other comprehensive income (expense) for the period	–	–	–	–	1,071	–	–	519	–	1,590	–	1,590
Profit for the period	–	–	–	–	–	–	–	–	323,429	323,429	48	323,477
Total comprehensive income for the period	–	–	–	–	1,071	–	–	519	323,429	325,019	48	325,067
Deconsolidation of a subsidiary	–	–	–	–	–	(6,898)	–	–	6,898	–	(2,657)	(2,657)
At 31 March 2010 (unaudited and restated)	564	2,854,452	7,914	3,590	2,022	–	3,300	421	(1,619,706)	1,252,557	14,726	1,267,283

	Share capital	Share premium	Contributed surplus	Share options reserve	Investment revaluation reserve	Capital reserve (Note)	Warrant reserve	Exchange translation reserve	Accumulated losses	Equity attributable to owners of the Company	Non-controlling interests	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 January 2011 (audited)	**564**	**2,854,452**	**7,914**	**3,590**	**6,430**	**–**	**3,300**	**5,993**	**(1,764,883)**	**1,117,360**	**17,202**	**1,134,562**
Other comprehensive income (expense) for the period	–	–	–	–	(329)	–	–	827	–	498	–	498
Profit for the period	–	–	–	–	–	–	–	–	351	351	(39)	312
Total comprehensive (expense) income for the period	–	–	–	–	(329)	–	–	827	351	849	(39)	810
At 31 March 2011 (unaudited)	**564**	**2,854,452**	**7,914**	**3,590**	**6,101**	**–**	**3,300**	**6,820**	**(1,764,532)**	**1,118,209**	**17,163**	**1,135,372**

note: The capital reserve represents the difference between the capital contribution by non-controlling interests and the relevant share of the carrying value of a subsidiary's net assets by non-controlling interests.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL RESULTS

1. COMPANY INFORMATION

The Company was incorporated in Bermuda on 25 February 2000 as an exempted company with limited liability under the Companies Act 1981 of Bermuda. Its shares are listed on GEM of the Stock Exchange since 18 May 2000. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, and its principal place of business is located at Units A-B, 16th Floor, China Overseas Building, No.139 Hennessy Road, Wanchai, Hong Kong.

The Company is an investment holding company. The unaudited condensed consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is also the functional currency of the Company.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial results for the three months ended 31 March 2011 have been prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the disclosure requirements of the GEM Listing Rules. The unaudited condensed consolidated financial results have been prepared under the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies used in preparing the condensed consolidated financial statements are consistent with those used in the Group's annual financial statements for the year ended 31 December 2010 (the "2010 Financial Statements"), except for the amendments and interpretations of HKFRSs ("New HKFRSs") issued by HKICPA which have become effective in this period as detailed in notes to the 2010 Financial Statements. The directors of the Company believe that the application of the other new and revised standards, amendments or interpretations has no material impact on the condensed consolidated financial results for the period.

3. TURNOVER AND OTHER INCOME

Turnover represents the aggregate of the amounts received and receivable for goods sold, net of returns and services rendered by the Group; rental income; and interest income from the provision of loan financing during the period. The analysis of the Group's turnover and other income for the periods is as follows:

	Three months ended 31 March	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Turnover and revenue:		
Computer telephony	**1,632**	2,500
Properties investments	**328**	–
Loan financing	**10,026**	4,038
	11,986	6,538
Other income:		
Bank interest income	**17**	67
Sundry income	**6**	127
	23	194

4. FINANCE COSTS

	Three months ended 31 March	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Interest on bank borrowings	**28**	–

5. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting):

	Three months ended 31 March	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Staff costs including directors' emoluments:		
Salaries and allowances	**4,097**	3,270
Contributions to retirement benefit schemes	**111**	95
	4,208	3,365
Depreciation of plant and equipment	**1,020**	579
Minimum lease payments under operating leases	**1,080**	1,055
Net foreign exchange loss (gain)	**15**	(111)
Cost of inventories recognised as an expense	**620**	1,069

6. INCOME TAX EXPENSE

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both three months ended 31 March 2011 and 2010. No Hong Kong Profits Tax was provided as the Group had no assessable profits for the three months ended 31 March 2011.

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% from 1 January 2008 onwards.

7. DIVIDEND

No dividend was paid or proposed during the three months ended 31 March 2011 and 2010, nor has any dividend been proposed since 31 March 2011.

8. EARNINGS PER SHARE

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

	Three months ended 31 March	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Profit for the period attributable to owners of the Company	**351**	323,429

	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings per share	**563,814**	563,814

The computation of diluted earnings per share for the three months ended 31 March 2011 and 2010 does not assume the exercise of the Company's share options and non-listed warrants because the respective exercise prices of the Company's share options and non-listed warrants were higher than the average market price of the shares of the Company during the period under review.

9. DECONSOLIDATION OF A SUBSIDIARY

With reference to notes 32 and 45 to the audited consolidated financial statements of the Company for the year ended 31 December 2010 set out in the Company's 2010 Annual Report, the Group lost control over China Eco-Farming Limited ("CEF") upon the completion of placing of the convertible preference shares of CEF in January 2010 and CEF was deconsolidated as a subsidiary of the Company subsequent thereto.

Notwithstanding the Group was then holding 22.27% of the equity interest in CEF, the CEF shares held by the Group were re-classified as investments held for trading and the remaining CEF convertible preference shares held by the Group were re-classified as convertible instruments designated as financial assets at fair value through profit or loss ("FVTPL").

The consolidated net assets of CEF at the date control was lost were as follows:

	Three months ended 31 March	
	2011	2010
	(Unaudited)	(Unaudited)
	HK$'000	HK$'000
Net assets disposed of:		
Assets classified as held for sale	–	28,444
Goodwill	–	–
Liabilities directly associated with assets classified as held for sale	–	(3,859)
Non-controlling interests	–	(2,657)
	–	21,928
Gain on deconsolidation	–	414,302
	–	436,230
Satisfied by:		
Investments held for trading	–	239,088
Convertible instruments designated at financial assets at FVTPL	–	106,437
Loan receivable from CEF	–	12,000
Cash consideration	–	78,705
	–	436,230

The unaudited condensed consolidated results for the three months ended 31 March 2010 have been restated in respect of the accounting impact arising from the deconsolidation of CEF in order to conform with the Company's audited consolidated financial statements for the year ended 31 December 2010 (the "Restatement").

As a result of the Restatement, the comparative unaudited condensed consolidated results of the Group for the three months ended 30 June and 30 September 2010, the six months ended 30 June 2010 and the nine months ended 30 September 2010 would be restated accordingly.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance

For the three months ended 31 March 2011, the Group recorded a turnover of approximately HK$11,986,000 (three months ended 31 March 2010: approximately HK$6,538,000), representing an increase of approximately 83.3% as compared with the last corresponding period. The increase in turnover was mainly contributed from the loan financing business.

Administrative expenses for the three months ended 31 March 2011 was approximately HK$9,425,000 (three months ended 31 March 2010: approximately HK$8,080,000), representing an increase of 16.6% as compared with the last corresponding period.

The profit attributable to the owners of the Company for the three months ended 31 March 2011 aggregated at approximately HK$351,000 (three months ended 31 March 2010: approximately HK$323,429,000). The basic earnings per share for the three months ended 31 March 2011 was HK0.06 cent (three months ended 31 March 2010: HK57.36 cents).

Business Review and Outlook

The computer telephony business of the Group generated a stable income for the first quarter of year 2011.

The Company has been benefitting from a continual increase in interest income generated by its loan financing business since its commencement in late 2009. The Directors are confident that this business segment will continue to grow at a healthy pace and will generate solid income for the Group.

The Group held properties in Hong Kong and in the PRC for investment purposes with total amounted to approximately HK$118,887,000 as at 31 March 2011 (31 December 2010: approximately HK$118,887,000). Through renting out of the properties, the Group recorded a rental income of approximately HK$328,000 during the period under review (three months ended 31 March 2010: nil). The Board remains optimistic about the property market in the PRC and in Hong Kong in the long run. Hence the Group acquired a property located at Shenzhen, the PRC. Details of the acquisition are set out under the section "Events after the Reporting Period". As at the date hereof, the acquisition is not yet completed.

As at 31 March 2011, the Group held investments held for trading amounted to approximately HK$214,371,000 (31 December 2010: approximately HK$205,989,000). The financial market in Hong Kong is expected to continue to be volatile during the first half of 2011. The Group will remain cautious in its investment approach and strategy.

The Board considers that the overall financial position of the Group is healthy. The Board will continue to adopt a positive but prudent approach towards its investment strategy and will continue to seek other investment opportunities and to explore the feasibility of expansion into other business segments with a view to diversify the business portfolio of the Group aiming to enhance the Group's profitability and the shareholders' value in the long run.

Fund Raising Activities

Pursuant to a conditional placing agreement between the Company and Fortune (HK) Securities Limited (as the placing agent) dated 13 May 2010 (as supplemented by an extension letter dated 10 September 2010), the placing agent conditionally agree to place on a best effort basis a maximum of 112,000,000 new shares of the Company at a price of HK$0.70 per share to independent institutional or private investors between 13 May 2010 and 7 January 2011. As the placing shares will be issued under the general mandate and therefore the placing is not subject to the approval of the shareholders of the Company. On 7 January 2011, the Company and the placing agent entered into a supplemental placing agreement to further extend the placing period to 7 April 2011 and revise the placing price to HK0.43 per placing share. The placing shares were fully placed on 5 May 2011. The total gross and net proceeds amounted to approximately HK$48.2 million and HK$47 million, respectively. The Company intends to use the net proceeds from the placing for general working capital of the Group.

Liquidity and Financial Resources

The Group principally finances its operations through a combination of shareholders equity and internally generated cash flows.

As at 31 March 2011, the Group had cash and cash equivalent of approximately HK$75,463,000 (31 December 2010: approximately HK$113,577,000) and had interest-bearing bank borrowings of approximately HK$17,938,000 (31 December 2010: nil). The gearing ratio (measured as total liabilities to total assets) was 3.7% as at 31 March 2011 (31 December 2010: 2.4%).

Capital Structure

As at 31 March 2011, the Company's issued share capital was HK$563,814 and the number of its issued ordinary shares was 563,814,000 of HK$0.001 each ("Shares").

Capital Commitments

As at 31 March 2011, the Group had capital commitment of approximately HK$490,000 (31 December 2010: HK$2,391,000) in respect of acquisition of plant and equipment.

Contingent Liabilities

As at 31 March 2011 and 31 December 2010, the Group did not have any material contingent liabilities.

Charges on Assets

As at 31 March 2011, investment properties of the Group with carrying value of HK$37,203,000 have been pledged to a bank to secure the general banking facilities granted to the Group.

Material Acquisitions and Disposals of Subsidiaries and Affiliated Companies

Reference is made to the announcements of the Company dated 4 November 2008, 24 November 2008, 26 November 2008, 30 December 2009 and 20 January 2011, respectively, and the circular of the Company dated 2 December 2008 in relation to the disposal agreement dated 13 October 2008 (as amended) between Dragon Billion Limited (as the vendor, "Dragon Billion", a wholly-owned subsidiary of the Company) and Portstar Enterprises Limited (as the purchaser, "Portstar") regarding (i) the disposal of the total issued shares (the "Sale Shares") of Eternity Profit Investments Limited ("Eternity Profit"), (ii) the disposal of the outstanding debts of HK$151,980,000 advanced by Dragon Billion to Eternity Profit as at 30 August 2008 (the "Sale Debts") and (iii) the option (the "Call Option") to allow Dragon Billion to buy-back the Sale Shares. As additional time is required by Portstar to fulfill a condition precedent for the completion of the disposal of the Sale Debts, on 20 January 2011, Dragon Billion and Portstar entered into the second supplemental agreement to, among others, extend the long stop date to 31 December 2011. As such, the completion of the disposal of Sale Debts and the expiry date of the Call Option were extended correspondingly.

Events after the Reporting Period

On 1 April 2011, 深圳市盛世富強科技有限公司 (Shenzhen Sheng Shi Fu Qiang Technology Company Limited, the "Purchaser"), a wholly-owned subsidiary of the Company, entered into the provisional sale and purchase agreement with 唐勇先生 (Mr. Tang Yong, the "Vendor") pursuant to which the Purchaser has agreed to purchase and the Vendor has agreed to sell a property at the aggregated consideration of RMB27,500,000, of which RMB2,000,000 being the initial deposit was paid by cash. The property is located at G17102-16, Shui Tou Sha Village, Nanao Town, Longgang District, Shenzhen, the PRC (中國深圳市龍崗區南澳鎮水頭沙村G17102-16) with an aggregate gross floor area of approximately 315.23 square meters. On 30 April 2011, the Purchaser and the Vendor entered into an extension agreement to extend the completion date to 20 June 2011. Details of the transaction set out in the announcements of the Company dated 4 April 2011 and 4 May 2011. As at the date hereof, the acquisition is not yet completed.

On 5 May 2011, the Company placed 112,000,000 new shares. Details are set out in the section "Fund Raising Activities" above.

Clarification

Reference is made to the Company's announcement dated 6 May 2011 in relation to a profit warning in which the Group was expected to record a substantial decrease in profit for the three months ended 31 March 2011. The announcement was based on preliminary review of the unaudited consolidated management accounts of the Group for the three months ended 31 March 2011 by the management of the Company, prior to the conclusion of the Restatement that the decrease in profit was mainly due to decreases in gain on disposal of and gain arising from fair value changes of convertible instruments designated at financial assets at FVTPL.

Following the conclusion of the Restatement, the substantial decrease in profit for the three months ended 31 March 2011 was mainly due to no gain on deconsolidation of a subsidiary was recorded and the impact of which was partially compensated by the decrease in loss arising from fair value changes of investments held for trading and convertible instruments designed at financial assets at FVTPL.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31 March 2011, the interests and short positions of the Directors and chief executives in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")), which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, or to be notified to the Company and the Stock Exchange, were as follows:

Long position in shares and underlying shares of the Company

Name of Director	Type of interests	Number of issued ordinary shares held	Total interests	Approximate percentage of the issued share capital
Chan Shui Sheung Ivy	Beneficial owner	60,000	60,000	0.011%

Save as disclosed above, as at 31 March 2011, none of the Directors or chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to rule 5.46 of the GEM Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the above section headed "Directors' and Chief Executives' Interests in Shares", at no time during the three months ended 31 March 2011, did there subsist arrangements to which the Company or any of its subsidiaries was a party, being arrangements whose subject were, or one of whose objects was, to enable any of the Directors or the chief executive of the Company to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of the Company or any other body corporate, and none of the Directors, their spouse or their children under the age 18, had any right to subscribe for the securities of the Company, or had exercised any such right during the three months ended 31 March 2011.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2011, persons who had interests or short positions directly or indirectly in the Company's shares, underlying shares recorded in the register kept by the Company pursuant to Section 336 of the SFO or to be disclosed under provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules were as follows:

Name of Shareholders	Capacity	Number of shares	Percentage of interests
PME Group Limited	Interest of corporation controlled	80,254,000 *(Note 1)*	14.23%
Sunbright Asia Limited	Beneficial owner	71,000,000 *(Note 1)*	12.59%
Well Support Limited	Beneficial owner	52,415,466 *(Note 2)*	9.30%
Liu Yi Dong	Trustee of Liu Yi Dong Family Trust	52,415,466 *(Note 2)*	9.30%

Notes:

1. Pursuant to the corporate substantial shareholder notices filed by PME Group Limited and by Sunbright Asia Limited, PME Group Limited is interested in 80,254,000 Shares through its controlled corporation as follows:

    (i) 71,000,000 Shares are directly held by Sunbright Asia Limited which in turn is 100% directly owned by CR Investment Group Limited which in turn is directly 100% owned by PME Group Limited; and

    (ii) 9,254,000 Shares are directly held by Betterment Enterprises Limited which in turn is directly 99.49% owned by Richcom Group Limited which in turn is directly 100% owned by CR Investment Group Limited which in turn is directly 100% owned by PME Group Limited.

2. Pursuant to the corporate substantial shareholder notice filed by Well Support Limited and the individual substantial shareholder notice filed by Liu Yi Dong, these Shares are held by Well Support Limited, which is beneficially owned by Liu Yi Dong Family Trust and the beneficiaries of which are Liu Yi Dong and his family members.

Save as disclosed above, the Directors were not aware of other persons, other than a director or chief executive of the Company, who had an interest or a short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO as at 31 March 2011.

COMPETING INTERESTS

None of the Directors or the controlling shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had any business or interest that competes or may compete with the business of the Group or had any other conflict of interest with the Group during the three months ended 31 March 2011.

CODE ON CORPORATE GOVERNANCE

The Company has complied with the code provisions on Corporate Governance Practices as set out in Appendix 15 to the GEM Listing Rules (the "CG Code") for the three months ended 31 March 2011 except for the following deviation:

The code provision A.2.1 of the CG Code prescribed, among others, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

During the three months ended 31 March 2011, the Company does not have a chairman or chief executive officer. The Board will keep reviewing the current structure from time to time and should candidates with suitable knowledge, skill, and experience be identified, the Company will make appointments to fill the posts as appropriate.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 March 2011.

AUDIT COMMITTEE

The Company has established an audit committee (the "Audit Committee") with written terms of reference in compliance with the GEM Listing Rules. As at the date of this report, the Audit Committee comprises all independent non-executive Directors. The primary duties of the Audit Committee are to review the Company's annual report and financial statements, interim reports and quarterly reports and to provide comments thereon to the Board.

The Audit Committee has reviewed the Group's unaudited financial results and this report for the three months ended 31 March 2011 and has provided comments thereon.

behalf of the Board
Chan Shui Sheung Ivy
Executive Director

Hong Kong, 13 May 2011

As at the date hereof, the executive Directors are Ms. Yeung Sau Han Agnes and Ms. Chan Shui Sheung Ivy, and the independent non-executive Directors are Ms. Yuen Wai Man, Mr. Lam Ka Wai Graham and Mr. Wang Chin Mong.