



古兜控股有限公司

Gudou Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8308



2017
First Quarterly Report



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

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This report, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the 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 in this report misleading.

Highlights

- For the three months ended 31 March 2017, revenue of the Group was approximately RMB52.6 million, representing an increase of approximately 34.4% compared to the corresponding period in 2016.
- For the three months ended 31 March 2017, gross profit of the Group increased by approximately 44.6% to approximately RMB21.2 million as compared to the corresponding period of last year.
- Net profit for the three months ended 31 March 2017 amounted to approximately RMB3.9 million, while the Group recorded a loss of approximately RMB7.5 million for the three months ended 31 March 2016.
- Basic earnings per share for the three months ended 31 March 2017 was approximately 0.4 RMB cents, and basic loss per share for the three months ended 31 March 2016 was approximately 10.2 RMB cents.
- The Board does not recommend the payment of any interim dividend for the three months ended 31 March 2017. For the three months ended 31 March 2016, no interim dividend was paid or declared.

First Quarterly Results

The Board is pleased to announce the unaudited consolidated financial statements of the Group for the three months ended 31 March 2017 together with the comparative unaudited figures for the corresponding period in 2016, as follows:

Unaudited Consolidated Statement of Comprehensive Income

For the three months ended 31 March 2017

		Three months ended 31 March	
	Note	2017 RMB'000	2016 RMB'000
Revenue	3	52,564	39,106
Cost of sales		<u>(31,364)</u>	<u>(24,449)</u>
Gross profit		21,200	14,657
Other income		235	75
Fair value gains on investment properties		6,110	4,210
Selling expenses		(6,199)	(5,485)
Administrative expenses		<u>(9,417)</u>	<u>(8,464)</u>
Profit from operations		11,929	4,993
Finance costs		<u>(5,025)</u>	<u>(11,034)</u>
Profit/(Loss) before tax		6,904	(6,041)
Income tax expenses	4	<u>(2,998)</u>	<u>(1,413)</u>
Profit/(Loss) for the period		<u>3,906</u>	<u>(7,454)</u>
Other comprehensive income for the period, net of tax			
<i>Items that may be reclassified to profit or loss:</i>			
Currency translation differences		<u>207</u>	<u>1,510</u>
Total comprehensive income/ (loss) for the period		<u><u>4,113</u></u>	<u><u>(5,944)</u></u>

		Three months ended	
		31 March	
	<i>Note</i>	2017	2016
		RMB'000	RMB'000
Profit/(Loss) for the period attributable to:			
Owners of the Company		<u>3,906</u>	<u>(7,454)</u>
Total comprehensive income/(loss) for the period attributable to:			
Owners of the Company		<u>4,113</u>	<u>(5,944)</u>
Earnings/(Loss) per share attributable to owners of the Company for the period			
Basic and diluted (RMB cents)	6	<u>0.4</u>	<u>(10.2)</u>

Unaudited Consolidated Statement of Changes In Equity

For the three months ended 31 March 2017

	Share capital RMB'000	Share premium RMB'000	Foreign currency translation reserve RMB'000	Capital reserve RMB'000	Other reserve RMB'000	Retained profits RMB'000	Total equity RMB'000
As at 1 January 2017 (Audited)	8,669	99,249	(4,657)	(277)	69,528	176,761	349,273
Comprehensive income							
Profit for the period	—	—	—	—	—	3,906	3,906
Other comprehensive income							
Currency translation differences	—	—	207	—	—	—	207
Total comprehensive income for the period	—	—	207	—	—	3,906	4,113
As at 31 March 2017 (Unaudited)	<u>8,669</u>	<u>99,249</u>	<u>(4,450)</u>	<u>(277)</u>	<u>69,528</u>	<u>180,667</u>	<u>353,386</u>
As at 1 January 2016 (Audited)	301	—	10,091	(277)	(58,659)	223,408	174,864
Comprehensive loss							
Loss for the period	—	—	—	—	—	(7,454)	(7,454)
Other comprehensive income							
Currency translation differences	—	—	1,510	—	—	—	1,510
Total comprehensive loss for the period	—	—	1,510	—	—	(7,454)	(5,944)
As at 31 March 2016 (Unaudited)	<u>301</u>	<u>—</u>	<u>11,601</u>	<u>(277)</u>	<u>(58,659)</u>	<u>215,954</u>	<u>168,920</u>

Notes to the Unaudited Consolidated Financial Statements

For the three months ended 31 March 2017

1 General information

The Company was incorporated on 10 January 2014 in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Clifton House, 75 Fort Street, P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands. The address of its principal place of business is Gudou Hot Spring Resort Complex, Yamen Town, Xinhui, Jiangmen, Guangdong Province, the PRC (中國廣東省江門市新會區崖門鎮古兜溫泉綜合度假村). The Company's shares are listed on the GEM on 9 December 2016.

The Company is an investment holding company. The principal activities of its subsidiaries are hot spring resort and hotel operations and tourism property development.

These financial statements are presented in RMB, unless otherwise stated.

2. Basis of Preparation

The unaudited consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the applicable disclosure requirements of the GEM Listing Rules.

The accounting policies and method of computation used in preparing the unaudited consolidated results are consistent with those used in the audited consolidated financial statements for the year ended 31 December 2016 except in relation to the new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA that are adopted for the first time for the current period's financial statements. The adoption of these new and revised HKFRSs has had no material impact on the unaudited consolidated financial statements. The Group has not early adopted any new HKFRSs that have been issued but are not yet effective.

The unaudited consolidated quarterly results have not been reviewed by the Company's independent auditors, but have been reviewed by the Company's audit committee.

3 Revenue

The Group's revenue derived from its major products and services during the Period is as follows:

	Three months ended 31 March	
	2017 RMB'000 (Unaudited)	2016 RMB'000 (Unaudited)
Property sales	17,079	4,003
Room revenue	19,517	18,955
Admission income	5,849	6,358
Catering income	7,257	7,447
Rental income	336	482
Massage service income	945	635
Conference fee income	507	489
Other service income	1,074	737
	<u>52,564</u>	<u>39,106</u>

4 Income tax expenses

For the three months ended 31 March 2017, no provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong (2016: Nil). The Group's subsidiaries in the PRC are subject to the PRC enterprise income tax at a rate of 25% on estimated assessable profits.

	Three months ended 31 March	
	2017 RMB'000 (Unaudited)	2016 RMB'000 (Unaudited)
Current tax		
Hong Kong profits tax	—	—
PRC enterprise income tax	—	3
Land appreciation tax	1,470	358
	<u>1,470</u>	<u>361</u>
Deferred tax	1,528	1,052
	<u>2,998</u>	<u>1,413</u>

5. Dividend

No dividend was paid or declared by the Company during the three months ended 31 March 2017, nor has any dividend been proposed since the end of the reporting period (2016: Nil).

6 Earnings/(Loss) per share

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the Period.

	Three months ended	
	31 March	
	2017	2016
	(Unaudited)	(Unaudited)
Profit/(loss) attributable to owners of the Company (<i>RMB'000</i>)	3,906	(7,454)
Weighted average number of ordinary shares in issue (<i>'000</i>) (<i>Note</i>)	980,000	73,243
Basic earnings/(loss) per share (<i>RMB cents</i>)	0.4	(10.2)

Note:

For the three months ended 31 March 2016, the weighted average number of ordinary shares was calculated by deducting the weighted average of puttable shares and adjusted retrospectively for the capitalisation issue of 712,000,000 Shares which took place on 9 December 2016.

Diluted earnings/(loss) per share for the three months ended 31 March 2017 and 2016 are the same as the basic earnings/(loss) per share as there were no dilutive potential ordinary shares in issue during both periods.

Management Discussion and Analysis

Business Review

The Group is principally engaged in the operation and management of Gudou Hot Spring Resort and the development and sale of tourism properties within Gudou Hot Spring Resort.

For the three months ended 31 March 2017, revenue of the Group was approximately RMB52.6 million, representing an increase of approximately 34.4% compared to the corresponding period in 2016 (three months ended 31 March 2016: RMB39.1 million). Profit attributable to owners of the Company for the three months ended 31 March 2017 amounted to approximately RMB3.9 million (loss attributable to owners of the Company for the three months ended 31 March 2016: RMB7.5 million).

Hot Spring Resort and Hotel Operations

Our hot spring resort and hotel operations business is stable in the first quarter of 2017. Our Group's turnover derived from hot spring resort and hotel operations increased by approximately 1.1% to approximately RMB35.5 million when compared to the corresponding period of previous year. The room revenue generated from our themed hotel complexes increased by approximately 3.0% for the three months ended 31 March 2017 compared to that for the corresponding period in 2016, while the occupancy rate of our themed hotel complexes slightly decreased from approximately 59.6% for the three months ended 31 March 2016 to 56.7% for the three months ended 31 March 2017. We believe that the decrease in occupancy rate was mainly due to the opening of Mountain Seaview Hotel in February 2016 which led to an increase in Total Available Room Nights.

Tourism Property Development

In addition to hot spring resort and hotel operations business, our Group continues its sale of tourism property during the Period. We recorded an increase of approximately 326.7% in revenue from our tourism property development business of approximately RMB17.1 million for the three months ended 31 March 2017 as compared to RMB4.0 million for the three months ended 31 March 2016 mainly due to the increase in gross floor area delivered for our Joyful Apartments during the Period.

Financial review

Revenue

For the Period, we recorded turnover of approximately RMB52.6 million (corresponding period in 2016: approximately RMB39.1 million), representing a significant increase of approximately 34.4% when compared with the previous year. The increase in turnover was primarily attributable to the increase in revenue generated from our tourism property development business. The gross floor area sold and delivered increased from approximately 679.7 sq. m. for the three months ended 31 March 2016 to 1,918.5 sq. m. for the Period mainly due to the sales and delivery of Joyful Apartments in respect of which construction was completed in late 2016. The revenue generated from our hot spring resort and hotel operations was stable for the Period as compared to the corresponding period in 2016. Our turnover attributable to hot spring resort and hotel operations recorded a growth of approximately 1.1% from approximately RMB35.1 million for the three months ended 31 March 2016 to approximately RMB35.5 million for the Period.

Cost of Sales

Our cost of sales for the Period was approximately RMB31.4 million, representing an increase of approximately 28.3% from approximately RMB24.4 million in respect of the three months ended 31 March 2016. Such increase was primarily due to an increase in cost of sales of our hot spring resort and hotel operations which was primarily attributable to an increase in the staff costs and depreciation of property, plant and equipment and an increase in cost of sales of our tourism property developments, which was mainly as a result of an increase in the gross floor area sold and delivered during the Period.

Gross Profit and Gross Profit Margin

The Group's gross profit amounted to approximately RMB21.2 million for the Period, representing an increase of approximately RMB6.5 million or 44.6% from approximately RMB14.7 million for the same period of last year, which was in line with the increase in the Group's turnover during the Period. The Group's gross profit margin for the Period increased by approximately 2.8% to approximately 40.3% as compared with 37.5% for the same period of last year. Such increase was primarily due to higher portion of revenue being derived from tourism property development business while the gross profit margin for tourism property development business is higher than that of hot spring resort and hotel operations.

Profit/Loss before Tax

The Group's profit before tax amounted to approximately RMB6.9 million for the Period when compared to a loss before tax of approximately RMB6.0 million for the same period of last year, primarily reflecting increased level of revenue and fair value gain on investment properties and decreased level of finance costs being recognised in the Period as the Group repaid its interest-bearing shareholders' loans and the lapse of the Group's puttable options in December 2016.

Income Tax Expenses

The Group's income tax expenses for the Period increased by approximately 112.2%, or RMB1.6 million as compared with approximately RMB1.4 million for the same period of last year. Such increase in the Group's income tax expenses was attributable to the increase in land appreciation tax and the increase in deferred tax expenses due to the relatively higher fair value gains on investment properties during the Period.

Net Profit/Loss

The Group's profit for the Period amounted to approximately RMB3.9 million as compared to a loss of approximately RMB7.5 million for the same period of last year, which was in line with the Group's increased turnover during the Period.

Business Prospect

Looking ahead at the rest of 2017, we will continue to focus on tourism property development. We expect to obtain the construction permit for the Heart of Spring Apartments in the second quarter of 2017 and the construction of Mountain Seaview Vacation Residence will be completed in the fourth quarter of 2017. We expect the delivery of Mountain Seaview Vacation Residence and the pre-sale of Heart of Spring Apartments will proceed in late 2017. However, the Group's revenue from tourism property development business will be subject to, among others, the development plan, construction progress and the delivery of the Group's tourism property development projects.

We will continue to operate Gudou Hot Spring Resort but do not expect to maintain the same level of revenue as in the first quarter as the winter season is ordinarily more attractive for hot spring patrons than other seasons in the year due to the cold weather. When the weather becomes warmer, it is therefore likely that the revenue from the Group's hot spring resort operation may reduce. We will continue to organise promotional events to enhance our "Gudou" brand and increase sales.

Interests and Short Positions of Directors and Chief Executive in the Shares, Underlying Shares and Debentures

As at 31 March 2017, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meanings 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 required, pursuant to the minimum standards of dealing by the Directors as referred to in Rule 5.46 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Long positions in the Shares

Name	Capacity/Nature of interest	Interests in ordinary Shares (Note 1)	Percentage of the Company's issued share capital as at 31 March 2017
Mr. Hon	Interest of a controlled corporation (Note 2)	532,500,000 (L)	54.34%
Mr. Hui Chin Tong Godfrey	Interest of a controlled corporation (Note 3)	90,000,000 (L)	9.18%

Notes:

1. The letter "L" denotes the person's long position in the Shares.
2. Mr. Hon owns one share (with no par value) in Harvest Talent, representing 100% of its issued share capital. Harvest Talent is an associated corporation (within the meaning of Part XV of the SFO) of the Company and the registered owner of 532,500,000 Shares. By virtue of the SFO, Mr. Hon is deemed to be interested in all the Shares held by Harvest Talent.
3. These 90,000,000 Shares are registered in the name of DF Tourism as the nominee of Dynasty Fortune. DF Tourism is wholly-owned by Dynasty Fortune. Mr. Hui Chin Tong Godfrey owns 100% of the issued share capital of Dynasty Fortune. By virtue of the SFO, Mr. Hui Chin Tong Godfrey is deemed to be interested in all the Shares owned by Dynasty Fortune.

Substantial Shareholders' Interests in Securities

So far as is known to any Director or chief executive of the Company, as at 31 March 2017, the interests and short positions of substantial shareholders and other persons, other than the Directors or chief executives of the Company, in the Shares and the underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name	Capacity/Nature of interest	Interests in Ordinary Shares (Note 1)	Percentage of the Company's issued share capital as at 31 March 2017
Harvest Talent	Beneficial owner	532,500,000 (L)	54.34%
Mrs. Hon	Interest of spouse (Note 3)	532,500,000 (L)	54.34%
Dynasty Fortune	Beneficial owner (Note 4)	90,000,000 (L)	9.18%
DF Tourism	Nominee for another person (Note 4)	90,000,000 (L)	9.18%
Fu An	Beneficial owner (Note 6)	60,000,000 (L)	6.12%
Wealth Promise	Nominee for another person (Note 6)	60,000,000 (L)	6.12%
Mr. Li Chao Wang	Interest of a controlled corporation (Note 7)	97,500,000 (L)	9.95%
Ms. Song Min	Interest of spouse (Note 8)	97,500,000 (L)	9.95%

Notes:

1. The letter “L” denotes the person’s long position in the Shares.
2. Harvest Talent is beneficially and wholly-owned by Mr. Hon, our executive Director. By virtue of the SFO, Mr. Hon is deemed to be interested in all the Shares held by Harvest Talent. Mr. Hon is also the sole director of Harvest Talent.
3. By virtue of the SFO, Mrs. Hon, the spouse of Mr. Hon, is deemed to be interested in all the Shares in which Mr. Hon is interested.
4. These Shares are registered in the name of DF Tourism as the nominee of Dynasty Fortune. DF Tourism is wholly-owned by Dynasty Fortune.
5. Dynasty Fortune is beneficially and wholly-owned by Mr. Hui Chin Tong Godfrey, our non-executive Director. By virtue of the SFO, Mr. Hui Chin Tong Godfrey is deemed to be interested in all the Shares beneficially owned by Dynasty Fortune. Mr. Hui Chin Tong Godfrey is also a director of Dynasty Fortune and DF Tourism.
6. These Shares are registered in the name of Wealth Promise as the nominee of Fu An. Wealth Promise is wholly-owned by Fu An.
7. Fu An is beneficially owned as to 74.21% by Mr. Li Chao Wang. By virtue of the SFO, Mr. Li Chao Wang is deemed to be interested in all the Shares owned by Fu An. Mr. Li Chao Wang is also deemed to be interested in all the Shares beneficially owned by Grand Luck, namely 37,500,000 Shares, by virtue of the SFO, as he beneficially owns the entire issued share capital of Grand Luck. Accordingly, Mr. Li Chao Wang is deemed to be interested in a total of 97,500,000 Shares under the SFO.
8. By virtue of the SFO, Ms. Song Min, the spouse of Mr. Li Chao Wang, is deemed to be interested in all the Shares in which Mr. Li Chao Wang is interested.

Save as disclosed above, as at 31 March 2017, the Company had not been notified by any person (other than Directors or chief executive of the Company) who had an interest or 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.

Competing Interests

None of the Directors or controlling shareholders of the Company and their respective close associates (as defined in the GEM Listing Rules) has any interest in a business which competed or might compete with the business of the Group or has any other conflict of interest with the Group during the three months ended 31 March 2017.

Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company (not being a contract of service with any Director of the Company or any person engaged in the full-time employment of the Company) was entered into or was subsisting during the three months ended 31 March 2017.

Corporate Governance Practices

The Company is committed to achieving high standards of corporate governance. The Directors believe that sound and reasonable corporate governance practices are essential for the continuing growth of the Group and for safeguarding and maximising Shareholders' interests.

During the three months ended 31 March 2017, the Company has complied with the code provisions of the CG Code as may be applicable, except that Mr. Hon is currently performing the roles of chairman and chief executive officer of our Company. Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should not be performed by the same individual. Taking into account Mr. Hon's strong expertise in the hot spring and hotel industry, the Board considered that the roles of chairman and chief executive officer being performed by Mr. Hon enables more effective and efficient overall business planning, decision making and implementation thereof by our Group. In order to maintain good corporate governance and fully comply with such code provision, the Board will regularly review the need to appoint different individuals to perform the roles of chairman and chief executive officer separately.

Share Option Scheme

The Company conditionally adopted a share option scheme (“Share Option Scheme”) on 18 November 2016 which became unconditional upon Listing for a period of 10 years from 9 December 2016.

No share option has been granted from the adoption of the Share Option Scheme to 31 March 2017 and there was no share option outstanding as at 31 March 2017.

On 5 April 2017, the Company granted options to 18 eligible persons under the Share Option Scheme to subscribe for an aggregate of 51,940,000 Shares. For details, please refer to the Company’s announcement dated 5 April 2017.

Purchase, Sale or Redemption of Listed Securities of the Company

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company’s securities during the three months ended 31 March 2017.

Change of Compliance Adviser

As disclosed in the Company’s announcement dated 9 March 2017, the compliance adviser agreement with Celestial Capital Limited (the “Former Compliance Adviser”) has been terminated with effect from 9 March 2017 as no consensus could be reached between the Company and the Former Compliance Adviser within 30 days pursuant to Rule 6A.26 of the GEM Listing Rules for an adjustment to the level of fees payable by the Company to the Former Compliance Adviser for the compliance advisory services. Zhaobangji International Capital Limited (“Zhaobangji”) has been appointed as the replacement compliance adviser to the Company as required pursuant to Rule 6A.27 of the GEM Listing Rules with effect from 9 March 2017.

Interest of Compliance Adviser

Zhaobangji has confirmed to the Company that as at 31 March 2017, except for the compliance adviser agreement entered into between the Company and Zhaobangji dated 9 March 2017, Zhaobangji, its directors, employees and close associates did not have any interests in relation to the Company or any members of the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

Audit Committee

The audit committee has reviewed this report and the Group's unaudited consolidated financial results for the three months ended 31 March 2017, and is of the opinion that the preparation of such results complied with applicable accounting standards and that adequate disclosure has been made in respect thereof.

In this report, unless the context otherwise requires, the following expressions have the following meanings:

“associate(s)”	has the meaning as ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“CG Code”	Corporate Governance Code as set out in Appendix 15 of the GEM Listing Rules
“close associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Company”	Gudou Holdings Limited (古兜控股有限公司), a company incorporated as an exempted company with limited liability in the Cayman Islands

“Director(s)”	the director(s) of the Company
“DF Tourism”	Dynasty Fortune Tourism Property Investments Limited (朝富旅遊產業投資有限公司), a company incorporated in the British Virgin Islands and is wholly-owned by Dynasty Fortune
“Dynasty Fortune”	Dynasty Fortune Capital Limited (朝富資本有限公司), a company incorporated in Hong Kong with limited liability, which is beneficially and wholly-owned by Mr. Hui Chin Tong Godfrey, a non-executive Director.
“Fu An”	Fu An International Investments Limited (富安國際投資有限公司), a company incorporated in Hong Kong, which is beneficially owned as to 74.21% by Mr. Li Chao Wang, 15.79% by Ms. Yu Yi Fang and 10.00% by Mr. Dong Yi Ping, all of whom are independent third parties.
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM, as amended, supplemented and/or otherwise modified from time to time as the context may require
“Grand Luck”	Grand Luck Ventures Limited (泰瑞創投有限公司), a company incorporated in the British Virgin Islands, which is beneficially and wholly-owned by Mr. Li Chao Wang, an independent third party.
“Group”	the Company and its subsidiaries

“Gudou Hot Spring Resort”	Gudou Hot Spring Resort (古兜溫泉綜合度假村), the hot spring resort located at Jiangmen City, Guangdong Province, the PRC and operated by the Group
“Harvest Talent”	Harvest Talent Investments Limited, a company incorporated in the British Virgin Islands, which is wholly-owned by Mr. Hon and is one of the Controlling Shareholders
“Heart of Spring Apartment”	Heart of Spring Apartments (泉心養生公寓), a tourism property project under development by our Group in our Gudou Hot Spring Resort
“HK\$” or “HK dollar(s)” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange” or “Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Joyful Apartments”	Joyful Apartments (樂活城公寓), a completed tourism property project in our Gudou Hot Spring Resort
“Mountain Seaview Hotel”	Mountain Seaview Hotel (山海酒店), one of the themed hotel complexes in our Gudou Hot Spring Resort
“Mountain Seaview Vacation Residence”	Mountain Seaview Vacation Residence (山海度假公館), a tourism property project under development by our Group in our Gudou Hot Spring Resort
“Mr. Hon”	Mr. Hon Chi Ming, founder, chairman, chief executive officer, an executive Directors and a controlling shareholder of the Company

“Mrs. Hon”	Ms. Li Wai Ling, the spouse of Mr. Hon and the mother of Mr. Hon Ka Fung
“occupancy rate”	Total Occupied Room Nights of a hotel during a period divided by the Total Available Room Nights
“Period”	the three months ended 31 March 2017
“PRC”	the People’s Republic of China, save that, for the purpose of this report and unless the context otherwise requires, references in this report do not include Hong Kong, Macau and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of our Company
“Shareholder(s)”	holder(s) of the Shares
“sq. m.”	square metre
“Total Available Room Nights”	all rooms nights available for sale excluding those under renovation or repair and those not for letting
“Total Occupied Room Nights”	all rooms nights sold and including nights provided to guests and property owners on a complimentary basis

“Wealth Promise” Wealth Promise Holdings Limited (富諾控股有限公司), a company incorporated in the British Virgin Islands and is wholly-owned by Fu An

“%” per cent

By order of the Board
Gudou Holdings Limited
Hon Chi Ming
Chairman and Executive Director

Hong Kong, 9 May 2017

As at the date of this report, the executive Directors are Mr. Hon Chi Ming, Mr. Huang Zhanxiong, Ms. Zhen Yaman and Mr. Hon Ka Fung, the non-executive Director is Mr. Hui Chin Tong Godfrey, and the independent non-executive Directors are Mr. Wu Sai Him, Mr. Chiu Chi Wing and Prof. Wang Dawu.