



# Tai Cheung Holdings Limited

(INCORPORATED IN BERMUDA WITH LIMITED LIABILITY)  
(Stock Code: 88)

**2009-2010 INTERIM REPORT**

**大昌集團有限公司**

(於百慕達註冊成立之有限公司)  
(股份代號：88)

**2009-2010 年度中期報告**



I am pleased to report the unaudited results of the Group for the six months ended 30th September 2009.

### Consolidated Profit and Loss Account

For the six months ended 30th September 2009

		(Unaudited)	
		Six Months Ended	
		30/9/2009	30/9/2008
	Note	HK\$Million	HK\$Million
Revenue	2	387.7	297.0
Cost of sales		(191.3)	(124.4)
Gross profit		196.4	172.6
Other income		1.0	5.0
Administrative expenses		(23.0)	(16.2)
Impairment loss on available-for-sale financial assets		(13.4)	–
Fair value gains/(losses) on investment properties		12.0	(21.6)
Operating profit	3	173.0	139.8
Finance costs		(0.6)	(4.0)
Share of results of associates		32.5	54.9
Profit before income tax		204.9	190.7
Income tax expense	4	(32.0)	(22.5)
Profit for the period		172.9	168.2
<b>Profit attributable to equity holders of the Company</b>		<b>172.9</b>	<b>168.2</b>
Dividends			
Interim, proposed, of HK 10 cents (2008: HK 9 cents) per ordinary share		61.8	55.6
Earnings per share (Basic and Diluted)	5	28.0¢	27.2¢

**Consolidated Statement of Comprehensive Income**

For the six months ended 30th September 2009

	(Unaudited)	
	Six Months Ended	
	<b>30/9/2009</b>	30/9/2008
	<i>HK\$Million</i>	<i>HK\$Million</i>
Profit for the period	<b>172.9</b>	168.2
Other comprehensive income:		
Fair value loss on available-for-sale financial assets	<b>(14.0)</b>	(7.0)
Impairment loss on available-for-sale financial assets transferred to consolidated profit and loss account	<b>13.4</b>	–
Exchange differences	–	(0.1)
Total comprehensive income for the period	<b>172.3</b>	161.1
Total comprehensive income attributable to equity holders of the Company	<b>172.3</b>	161.1

**Consolidated Balance Sheet**

As at 30th September 2009

	<i>Note</i>	<b>(Unaudited) 30/9/2009 HK\$Million</b>	<b>(Audited) 31/3/2009 HK\$Million</b>
<b>Non-current assets</b>			
Property, plant and equipment		<b>1.4</b>	1.0
Investment properties		<b>146.3</b>	134.3
Associates		<b>57.7</b>	96.1
Available-for-sale financial assets		<b>90.9</b>	101.1
Deferred income tax assets		–	0.7
Mortgage loans receivable		<b>5.5</b>	6.2
		<b>301.8</b>	339.4
<b>Current assets</b>			
Properties for sale		<b>2,864.5</b>	3,027.0
Properties under development		<b>182.2</b>	175.5
Mortgage loans receivable		<b>0.2</b>	0.2
Debtors, deposits and prepayments	6	<b>30.5</b>	17.2
Amounts due from associates		<b>19.9</b>	6.3
Bank balances and cash		<b>651.1</b>	368.0
		<b>3,748.4</b>	3,594.2
<b>Current liabilities</b>			
Creditors, deposits and accruals	7	<b>89.3</b>	94.0
Borrowings	8	<b>117.1</b>	105.3
Current income tax liabilities		<b>33.9</b>	10.7
		<b>240.3</b>	210.0
<b>Net current assets</b>		<b>3,508.1</b>	3,384.2
<b>Total assets less current liabilities</b>		<b>3,809.9</b>	3,723.6
<b>Non-current liabilities</b>			
Deferred income tax liabilities		<b>4.8</b>	4.4
<b>Net assets</b>		<b>3,805.1</b>	3,719.2
<b>Equity</b>			
Share capital		<b>61.7</b>	61.7
Retained profits		<b>3,338.6</b>	3,227.5
Other reserves		<b>343.0</b>	343.6
Proposed dividend		<b>61.8</b>	86.4
<b>Total equity</b>		<b>3,805.1</b>	3,719.2

**Consolidated Statement of Changes in Equity**

For the six months ended 30th September 2009

	(Unaudited)	
	Six Months Ended	
	<b>30/9/2009</b>	<b>30/9/2008</b>
	<b>HK\$Million</b>	<b>HK\$Million</b>
Total equity at 1st April	<b>3,719.2</b>	3,656.8
Profit for the period	<b>172.9</b>	168.2
Other comprehensive income:		
Fair value loss on available-for-sale financial assets	<b>(14.0)</b>	(7.0)
Impairment loss on available-for-sale financial assets transferred to consolidated profit and loss account	<b>13.4</b>	–
Exchange differences	–	(0.1)
Total comprehensive income for the period	<b>172.3</b>	161.1
Dividends	<b>(86.4)</b>	(86.4)
Total equity at 30th September	<b>3,805.1</b>	3,731.5

**Condensed Consolidated Cash Flow Statement**

For the six months ended 30th September 2009

	(Unaudited)	
	Six Months Ended	
	<b>30/9/2009</b>	30/9/2008
	<b><i>HK\$Million</i></b>	<i>HK\$Million</i>
Net cash from operating activities	<b>303.3</b>	264.7
Net cash from investing activities	<b>54.4</b>	53.5
Net cash used in financing activities	<b>(74.6)</b>	(81.7)
Net increase in bank balances and cash	<b>283.1</b>	236.5
Bank balances and cash at 1st April	<b>368.0</b>	429.3
Bank balances and cash at 30th September	<b>651.1</b>	665.8



**Notes:**

**1. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

These unaudited condensed consolidated interim 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 and Appendix 16 to the Listing Rules of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The condensed financial statements should be read in conjunction with the 2009 annual financial statements.

The accounting policies and methods of computation used in the preparation of these condensed interim financial statements are consistent with those used in the annual financial statements for the year ended 31st March 2009 except for the adoption of certain new standards, amendments and interpretations of Hong Kong Financial Reporting Standards (“HKFRS”) issued and are mandatory for accounting periods beginning on or after 1st April 2009. The Group has assessed the impact of the adoption of these new standards, amendments and interpretations and considered that there was no significant impact on the Group’s results and financial position nor any substantial changes in the Group’s accounting policies, except as stated below.

Under HKAS 1 (Revised), “Presentation of financial statements”, entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). The Group has elected to present two performance statements (the consolidated profit and loss account and consolidated statement of comprehensive income). The interim financial statements have been prepared under these revised requirements.

HKFRS 8, “Operating segments”, replaces HKAS 14, “Segment reporting”. It requires a “management approach” under which segment information is presented on the same basis as that used for internal reporting purposes. Adoption of this standard did not have any effect on the Group’s results of operations or financial position. The Group has determined that its operating segments are substantially the same as the business segments previously identified under HKAS 14. Operating segments are reported in a manner consistent with the internal reporting provided to the Group’s Directors.

Certain new standards, amendments and interpretations under HKFRS have been issued but are not effective for the year ending 31st March 2010 and these have not been early adopted by the Group. The Group is in the process of assessing the impact of these new standards, amendments and interpretations on its results of operations and financial position.



## 2. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in property investment and development, investment holding and property management. Revenue is also the Group's turnover.

Segment information is presented on the same basis as that used by the Directors to assess the performance of each operating segment.

### (a) Revenue and Profit attributable to equity holders of the Company

	Six Months Ended 30/9/2009				
	Property development and leasing <i>HK\$Million</i>	Property management <i>HK\$Million</i>	Hotel operation <i>HK\$Million</i>	Investment holding <i>HK\$Million</i>	Group <i>HK\$Million</i>
Revenue	384.7	3.0	-	-	387.7
Segment results before provision	173.3	1.7	-	(0.6)	174.4
Impairment loss on available-for-sale financial assets	-	-	-	(13.4)	(13.4)
Fair value gains on investment properties	12.0	-	-	-	12.0
Operating profit	185.3	1.7	-	(14.0)	173.0
Finance costs	(0.6)	-	-	-	(0.6)
Share of results of associates	0.2	-	32.3	-	32.5
Profit before income tax					204.9
Income tax expense	(31.7)	(0.3)	-	-	(32.0)
Profit attributable to equity holders of the Company					172.9



## 2. REVENUE AND SEGMENT INFORMATION (continued)

### (a) Revenue and Profit attributable to equity holders of the Company (continued)

	Six Months Ended 30/9/2008				
	Property development and leasing <i>HK\$Million</i>	Property management <i>HK\$Million</i>	Hotel operation <i>HK\$Million</i>	Investment holding <i>HK\$Million</i>	Group <i>HK\$Million</i>
Revenue	293.9	3.1	-	-	297.0
Segment results before provision	155.5	1.9	-	4.0	161.4
Fair value losses on investment properties	(21.6)	-	-	-	(21.6)
Operating profit	133.9	1.9	-	4.0	139.8
Finance costs	(4.0)	-	-	-	(4.0)
Share of results of associates	3.3	-	51.6	-	54.9
Profit before income tax					190.7
Income tax expense	(22.2)	(0.3)	-	-	(22.5)
Profit attributable to equity holders of the Company					168.2

### (b) Total Assets and Liabilities

	At 30/9/2009				
	Property development and leasing <i>HK\$Million</i>	Property management <i>HK\$Million</i>	Hotel operation <i>HK\$Million</i>	Investment holding <i>HK\$Million</i>	Group <i>HK\$Million</i>
Segment assets	3,230.2	36.4	-	706.0	3,972.6
Associates	20.3	-	62.5	(5.2)	77.6
Total assets					4,050.2
Segment liabilities	209.7	28.3	-	7.1	245.1
Net assets					3,805.1

## 2. REVENUE AND SEGMENT INFORMATION (continued)

### (b) Total Assets and Liabilities (continued)

	At 31/3/2009				Group <i>HK\$Million</i>
	Property development and leasing <i>HK\$Million</i>	Property management <i>HK\$Million</i>	Hotel operation <i>HK\$Million</i>	Investment holding <i>HK\$Million</i>	
Segment assets	3,359.0	34.5	-	437.7	3,831.2
Associates	20.1	-	87.5	(5.2)	102.4
Total assets					3,933.6
Segment liabilities	173.1	35.2	-	6.1	214.4
Net assets					3,719.2

## 3. OPERATING PROFIT

	Six Months Ended	
	<b>30/9/2009</b> <i>HK\$Million</i>	30/9/2008 <i>HK\$Million</i>
Operating profit is stated after charging the following:		
Amortisation of leasehold land (net of amount capitalised under properties under development of HK\$Nil (2008: HK\$0.2 million))	<b>18.1</b>	18.6
Cost of property sales	<b>154.6</b>	90.8
Depreciation	<b>0.3</b>	0.3
Loss on disposal of property, plant and equipment	<b>0.1</b>	-

#### 4. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profits for the period. Taxation on overseas profits has been calculated on the estimated assessable profits for the period at the rates prevailing in the countries in which the Group operates. No overseas tax has been made as the Group had no estimated assessable profit for both periods.

	Six Months Ended	
	<b>30/9/2009</b> <i>HK\$Million</i>	<i>30/9/2008</i> <i>HK\$Million</i>
Current income tax		
Hong Kong profits tax	<b>30.9</b>	26.1
Deferred income tax	<b>1.1</b>	(3.6)
	<b>32.0</b>	22.5

The Group's share of income tax expense attributable to associates for the six months ended 30th September 2009 of HK\$6.5 million (2008: HK\$10.1 million) is included in the consolidated profit and loss account as share of results of associates.

#### 5. EARNINGS PER SHARE

The calculation of earnings per share is based on the profit attributable to equity holders of the Company of HK\$172.9 million (2008: HK\$168.2 million) and ordinary shares in issue of 617,531,425 (2008: 617,531,425). There were no potential dilutive ordinary shares outstanding during the period (2008: Nil).

#### 6. DEBTORS, DEPOSITS AND PREPAYMENTS

	<b>30/9/2009</b> <i>HK\$Million</i>	<i>31/3/2009</i> <i>HK\$Million</i>
Trade debtors, aged		
0-3 months	<b>22.4</b>	6.6
Over 3 months	<b>0.1</b>	1.0
	<b>22.5</b>	7.6
Deposits and prepayments	<b>8.0</b>	9.6
	<b>30.5</b>	17.2

The carrying amounts of debtors and deposits approximate their fair value. Debtors, deposits and prepayments are mainly denominated in Hong Kong dollars.

Credit terms given to customers vary and are generally ranged from 3 to 6 months.

## 6. DEBTORS, DEPOSITS AND PREPAYMENTS (continued)

As at 30th September 2009, trade debtors HK\$16.8 million (31st March 2009: HK\$0.5 million) were fully performing.

As at 30th September 2009, no trade debtor was impaired (31st March 2009: Nil). Trade debtors of HK\$5.7 million (31st March 2009: HK\$7.1 million) were past due but not impaired and aged within 180 days (31st March 2009: 150 days). These relate to debtors with good repayment history and no recent history of default, and the majority are covered by rental deposits.

## 7. CREDITORS, DEPOSITS AND ACCRUALS

	<b>30/9/2009</b> <i>HK\$Million</i>	31/3/2009 <i>HK\$Million</i>
Creditors, aged		
0-3 months	<b>4.1</b>	2.4
Over 3 months	<b>2.0</b>	2.9
	<b>6.1</b>	5.3
Deposits and accruals	<b>83.2</b>	88.7
	<b>89.3</b>	94.0

The carrying amounts of creditors and deposits approximate their fair value. The creditors and deposits are mainly denominated in Hong Kong dollars.

## 8. BORROWINGS

	<b>30/9/2009</b> <i>HK\$Million</i>	31/3/2009 <i>HK\$Million</i>
Current		
Bank loans		
– unsecured	<b>34.9</b>	34.8
– secured	<b>82.2</b>	70.5
Total borrowings	<b>117.1</b>	105.3

The maturity of borrowings is as follows:

	<b>30/9/2009</b> <i>HK\$Million</i>	31/3/2009 <i>HK\$Million</i>
Within one year	<b>117.1</b>	105.3

## 8. BORROWINGS (continued)

The exposure of the Group's borrowings to interest-rate changes and the contractual repricing dates are all within 6 months from the balance sheet date.

The carrying amounts of borrowings approximate their fair value.

The carrying amounts of borrowings are denominated in the following currencies and the effective interest rates of borrowings at the balance sheet date were as follows:

	<b>30/9/2009</b>	<b>30/9/2009</b>	<b>31/3/2009</b>	<b>31/3/2009</b>
	<b>HK\$Million</b>	<b>Effective interest rate</b>	<b>HK\$Million</b>	<b>Effective interest rate</b>
Hong Kong dollars	-	-	-	-
US dollars	<b>117.1</b>	<b>3.3%</b>	105.3	2.6%
	<b>117.1</b>		105.3	



### Interim Dividend

The Directors declared an interim dividend of HK 10 cents per share, representing an increase of 11.1% over HK 9 cents paid last year. The said interim dividend is payable on 20th January 2010.

### Register of Members

The Register of Members will be closed from 7th January 2010 to 11th January 2010, both days inclusive. Shareholders should ensure that all transfers accompanied by the relevant share certificates are lodged with the Company's Registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 6th January 2010 in order that they may receive their dividend entitlement.

### Management Discussion and Analysis

#### Interim Results

The Group's unaudited profit attributable to equity holders of the Company for the six months ended 30th September 2009 amounted to HK\$172.9 million, representing an increase of 2.8% over the profit of HK\$168.2 million for the same period in 2008.

The Group's interest in Sheraton-Hong Kong Hotel is stated at cost less accumulated depreciation and amortisation on the hotel land and buildings in accordance with the current accounting standards.

In order to fully reflect the underlying economic values of the Group's hotel properties, the Group considers it appropriate also to present to shareholders, as set out below, supplementary information on the Group's statement of net assets on the basis that the Group were to state its hotel properties at their open market valuations as at 31st March 2009.

	<b>30/9/2009</b> <b>(Unaudited)</b> <b>HK\$Million</b>	31/3/2009 (Unaudited) HK\$Million
Non-current assets, including interests in associates	<b>301.8</b>	339.4
<i>Add:</i> Attributable revaluation surplus relating to hotel properties*	<b>1,966.1</b>	1,964.7
	<b>2,267.9</b>	2,304.1
Current assets	<b>3,748.4</b>	3,594.2
Current liabilities	<b>(240.3)</b>	(210.0)
Net current assets	<b>3,508.1</b>	3,384.2
Total assets less current liabilities	<b>5,776.0</b>	5,688.3
Non-current liabilities	<b>(4.8)</b>	(4.4)
Net assets as if the hotel properties were stated at open market value	<b>5,771.2</b>	5,683.9
Net assets per ordinary share as if the hotel properties were stated at open market value	<b>HK\$9.35</b>	HK\$9.20

\* Based on open market valuations as at 31st March 2009.

### Property Development

Marketing for our luxury residential project at Plunkett's Road has already begun. As prices continue to increase for the top end of the residential market, we are confident that this project will be a success.

Site grading work for the French Valley Airport Center project has already completed. There are signs that the American economy is improving. It is likely that construction work will begin next year.

### Hotel

The hotel industry in general is affected by worldwide economic slow-down and fear of the swine flu epidemic, but it is evident that the worst is behind us.

As the supply of new 5-star hotels is going to be limited over the next few years, the Sheraton-Hong Kong Hotel, in which your Group has 35% interest, will continue to have steady performance in the next few years.

There are plans to upgrade the shopping mall at the Sheraton next year to enhance its competitiveness and income potential.

**High-tech Investments**

There are signs that the U.S. high-tech sector is recovering as evidenced by the sharp rise in NASDAQ shares since the lows in March 2009. Some funds that we have invested in have realized the value of their companies through sale to large technology and pharmaceutical companies. It is expected that the performance of the funds that are invested in will improve over the next few years.

**Prospects**

Luxury residential prices in Hong Kong have continued to reach record prices. Government has recently introduced measures to stabilize the property market in order to prevent a bubble from appearing. We welcome these measures as they will be good for the long term stability of the market. As your Group is very strong financially, we will take advantage of this opportunity to increase our land bank.

**Liquidity and Financial Resources**

At 30th September 2009, the Group's cash net of borrowings was HK\$534.0 million as compared with HK\$262.7 million at 31st March 2009. The Group's borrowings were payable within one year. All the Group's borrowings were denominated in United States dollars. The US dollar loans are directly tied in with the business of the Group's US operations, and therefore these loans are substantially hedged by assets in the same currency.

Committed borrowing facilities available to the Group, but not drawn at 30th September 2009, amounted to HK\$393.1 million. All such banking facilities bear interest at floating rates generally and are subject to periodic review. The gearing ratio was 3.1% at 30th September 2009, compared to 2.8% at 31st March 2009.

Certain properties for sale and properties under development of the Group with carrying values of HK\$544.9 million (31st March 2009: HK\$553.7 million) have been pledged to banks as security for facilities granted to the extent of HK\$197.6 million (31st March 2009: HK\$174.7 million) against which HK\$82.2 million (31st March 2009: HK\$70.5 million) has been utilised at the balance sheet date.

**Human Resources**

The Group, excluding associates, employs a total of 251 people in Hong Kong and the United States. Employees' costs, excluding directors' emoluments, amounted to HK\$25.6 million for the period ended 30th September 2009. Remuneration packages are reviewed annually with other employee benefits including medical subsidies, a non-contributory provident fund scheme and a mandatory provident fund scheme.



### Directors' Interests

At 30th September 2009, the interests of the Directors and Chief Executive in the shares of the Company as recorded in the register maintained under section 352 of the Securities and Futures Ordinance ("SFO") were as follows:

Name	Number of Shares				Total
	Personal interests	Family interests	Corporate interests	Other interests	
David Pun Chan	118,178,971	-	*61,335,074	-	<b>179,514,045</b>
Ivy Sau Ching Chan	20,132,706	-	-	-	<b>20,132,706</b>
Karl Chi Leung Kwok	221,212	-	-	-	<b>221,212</b>
Wing Sau Li	73,000	-	-	-	<b>73,000</b>

*\*Note:* Such shares were held through a corporation which is wholly owned by Mr. David Pun Chan.

All the interests disclosed above represent long position in the shares of the Company.

Save as disclosed above, no directors, chief executives or their associates had any interest or short position in the shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code").

During the period under review, the Company did not grant to the Directors or Chief Executive any right to subscribe for shares of the Company.

### Substantial Shareholders

At 30th September 2009, the register of substantial shareholders maintained under section 336 of the SFO showed that the Company has been notified of the following interest, being 5% or more of the Company's issued share capital. This interest is in addition to those disclosed above in respect of the Directors and Chief Executive:

Name	Number of Shares
*Chan Poon Wai Kuen	96,185,380

*\*Note:* Madam Chan Poon Wai Kuen is the mother of Mr. David Pun Chan.

All the interests disclosed above represent long position in the shares of the Company.

Save as disclosed above, the Company has not been notified by any other person (other than a director of the Company disclosed above) who has an interest or short position in the shares of the Company which are required to be recorded in the register kept by the Company pursuant to section 336 of the SFO as at 30th September 2009.

#### **Purchase, Sale or Redemption of Shares**

The Company did not redeem any of its shares during the period. Neither the Company nor any of its subsidiaries purchased or sold any of the Company's shares during the period.

#### **Audit Committee**

The Audit Committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of these unaudited interim financial statements.

#### **Compliance with the Code on Corporate Governance Practices**

During the period, the Company has complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 to the Listing Rules of the Stock Exchange except in relation to the followings:

- (1) Under code provision A.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The Company does not have a separate Chairman and Chief Executive Officer and Mr. David Pun Chan currently holds both positions. The Board considers that the combination of the roles of Chairman and Chief Executive Officer can promote the efficient formulation and implementation of the Company's strategies to grasp business opportunities efficiently and promptly. Such arrangement, which has been adopted by many local and international corporations, enables the Company to meet the rapidly changing business environment which needs quicker decision making to achieve business efficiency.

- (2) Under code provision A.4.1 of the CG Code, non-executive directors should be appointed for a specific term, subject to re-election.

Non-executive Directors of the Company are not appointed for a specific term. However, they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-laws.

- (3) Under the second part of code provision A.4.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Every Director of the Company, including those appointed for a specific term (save for any chairman or managing director under the Company's Private Act which was enacted in Bermuda in 1990), shall be subject to retirement by rotation at least once every three years. Pursuant to section 4(g) of the Private Act of the Company, any chairman or any managing director of the Company shall not be subject to retirement by rotation under the Bye-laws.

#### **Compliance with the Model Code for Securities Transactions by Directors**

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules of the Stock Exchange. All Directors have confirmed, following enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the period.

Finally, I would like to thank all staff for their loyal support and hard work.

By Order of the Board

**David Pun Chan**

*Chairman*

Hong Kong, 11th December 2009

*As at the date hereof, the Board comprises Mr. David Pun Chan (Chairman), Mr. William Wai Lim Lam and Mr. Wing Sau Li as executive directors, Ms. Ivy Sau Ching Chan as non-executive director and Mr. Joseph Wing Siu Cheung, Mr. Karl Chi Leung Kwok and Mr. Man Sing Kwong as independent non-executive directors.*