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Sparkle Roll Group Limited
耀萊集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 970)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012

INTERIM RESULTS

The board of directors (the "Board") of Sparkle Roll Group Limited (the "Company") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (the "Group") for the six months ended 30 September 2012 together with the comparative figures for the corresponding period in 2011 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 September 2012

		Six months ended 30 September	
		2012	2011
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue		**1,541,476**	2,087,221
Cost of sales		**(1,367,885)**	(1,863,973)
Gross profit		**173,591**	223,248
Other income	*5*	**53,612**	41,159
Selling and distribution costs		**(114,261)**	(110,045)
Administrative expenses		**(36,894)**	(31,986)
Other operating expenses		**(3,292)**	–
Operating profit	*6*	**72,756**	122,376
Finance costs	*7*	**(10,347)**	(3,886)
Profit before income tax		**62,409**	118,490
Income tax expense	*8*	**(2,477)**	(6,884)

* *for identification purpose only*

	Notes	Six months ended 30 September 2012 HK$'000 (Unaudited)	2011 HK$'000 (Unaudited)
Profit for the period		**59,932**	111,606
Other comprehensive income, net of tax			
Exchange gains on translation of financial statements of foreign operations		**7,859**	11,944
Total comprehensive income for the period		**67,791**	123,550
Profit for the period attributable to:			
Owners of the Company		**59,844**	111,923
Non-controlling interests		**88**	(317)
		59,932	111,606
Total comprehensive income attributable to:			
Owners of the Company		**67,715**	123,867
Non-controlling interests		**76**	(317)
		67,791	123,550
Earnings per share attributable to the owners of the Company during the period	*10*		
Basic earnings per share		**HK2.01 cents**	HK3.76 cents
Diluted earnings per share		**N/A**	HK3.75 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2012

	Notes	30 September 2012 HK$'000 (Unaudited)	31 March 2012 HK$'000 (Audited)
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**198,532**	92,969
Goodwill		**580,679**	580,679
Other intangible assets		**1,611**	2,380
Rental deposits paid to related parties	*11*	**13,632**	14,232
Financial assets at fair value through profit or loss	*12*	**486**	79,837
Trade receivables	*13*	**28,639**	–
Prepayments and other receivables	*14*	**16,788**	53,206
		840,367	823,303
Current assets			
Inventories		**766,130**	508,649
Trade receivables	*13*	**61,015**	29,529
Deposits, prepayments and other receivables	*14*	**411,094**	374,436
Amount due from a related party	*11*	**13,871**	14,232
Derivative financial instruments		**66**	3,208
Pledged bank deposits		**82,884**	39,126
Cash at banks and in hand		**103,743**	130,382
		1,438,803	1,099,562
Assets classified as held for sale	*17*	**27,597**	–
		1,466,400	1,099,562
Current liabilities			
Trade payables	*15*	**12,697**	20,435
Receipts in advance, accrued charges and other payables		**195,705**	166,408
Amounts due to related parties		**–**	2,276
Derivative financial instruments		**150**	–
Provision for taxation		**7,206**	7,097
Borrowings	*16*	**553,757**	208,433

	Notes	30 September 2012 HK$'000 (Unaudited)	31 March 2012 HK$'000 (Audited)
		769,515	404,649
Liabilities classified as held for sale	*17*	**17,037**	–
		786,552	404,649
Net current assets		**679,848**	694,913
Total assets less current liabilities		**1,520,215**	1,518,216
Non-current liabilities			
Other payables		**2,589**	3,089
Borrowings	*16*	**–**	56,000
Deferred tax liabilities		**1,800**	2,153
		4,389	61,242
Net assets		**1,515,826**	1,456,974
EQUITY			
Share capital		**5,959**	5,959
Reserves		**1,499,084**	1,437,329
Proposed dividends		**5,960**	8,939
Total equity attributable to the owners of the Company		**1,511,003**	1,452,227
Non-controlling interests		**4,823**	4,747
Total equity		**1,515,826**	1,456,974

NOTES TO THE INTERIM RESULTS

For the six months ended 30 September 2012

1. GENERAL INFORMATION

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church House, Hamilton HM11, Bermuda and its principal place of business is Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The principal activities of the Group are the automobiles dealerships and the distributorships and dealerships of luxury goods. The Group's operations are based in Hong Kong, the People's Republic of China, excluding Hong Kong and Macau (the "PRC") and Malaysia.

There were no significant changes in the Group's operations for the six months ended 30 September 2012.

2. BASIS OF PREPARATION

The interim financial results have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The interim financial results have been prepared in accordance with the same accounting policies adopted in the annual financial statements for the year ended 31 March 2012, except for the adoption of the new or amended Hong Kong Financial Reporting Standards (which include individual Hong Kong Financial Reporting Standards ("HKFRSs"), Hong Kong Accounting Standards ("HKASs") and Interpretations) as disclosed in note 3.

The interim financial results do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2012.

3. ADOPTION OF NEW OR AMENDED HKFRSs

In the current period, the Group has applied for the first time the following new or amended HKFRSs issued by the HKICPA which are relevant to and effective for the Group's financial statements for the period.

Amendments to HKFRS 7	Disclosures – Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax – Recovery of Underlying Assets

The adoption of these new or amended HKFRSs did not result in significant changes in the Group's accounting policies.

4. SEGMENT INFORMATION

The executive directors have identified the following reportable operating segments:

Trading of automobiles and related parts and accessories and provision of after-sale services – Distribute branded automobiles, namely Bentley, Lamborghini and Rolls-Royce, and provide related after-sale services;

Trading of branded watches – Distribute branded watches, namely Richard Mille, DeWitt, Parmigiani and deLaCour BiTourbillion;

Trading of branded jewelleries – Distribute branded jewelleries, namely Boucheron and Royal Asscher; and

Trading of fine wines – Distribute certain brands of fine wines.

Each of these operating segments is managed separately as each of the product and service lines requires different resources as well as marketing approaches. Inter-segment transactions are priced with reference to prices charged to external parties for similar order.

For the six months ended 30 September 2012

	Trading of automobiles and related parts and accessories and provision of after-sale services *HK$'000* (Unaudited)	Trading of branded watches *HK$'000* (Unaudited)	Trading of branded jewelleries *HK$'000* (Unaudited)	Trading of fine wines *HK$'000* (Unaudited)	Total *HK$'000* (Unaudited)
Revenue from external customers	**1,351,267**	**56,974**	**22,790**	**110,445**	**1,541,476**
Other income	**21,452**	**5,664**	**1,370**	**19,038**	**47,524**
Reportable segment revenue	**1,372,719**	**62,638**	**24,160**	**129,483**	**1,589,000**
Reportable segment results	**50,046**	**(3,154)**	**2,934**	**33,309**	**83,135**
Reportable segment assets	**1,569,577**	**295,404**	**114,370**	**309,655**	**2,289,006**
Corporate assets:					
– Financial assets					**15,956**
– Non-financial assets					**1,805**
Consolidated total assets					**2,306,767**

For the six months ended 30 September 2011

	Trading of automobiles and related parts and accessories and provision of after-sale services	Trading of branded watches	Trading of branded jewelleries	Trading of fine wines	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue from external customers	1,958,501	102,846	16,565	9,309	2,087,221
Other income	10,223	13,534	1,262	15,676	40,695
Reportable segment revenue	1,968,724	116,380	17,827	24,985	2,127,916
Reportable segment results	121,343	5,550	129	8,229	135,251
Reportable segment assets	1,415,372	241,201	71,598	240,783	1,968,954
Corporate assets:					
– Financial assets					7,037
– Non-financial assets					2,822
Consolidated total assets					1,978,813

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as follows:

	Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Reportable segment results	**83,135**	135,251
Unallocated corporate income	**6,088**	464
Unallocated corporate expenses	**(16,467)**	(13,339)
Finance costs	**(10,347)**	(3,886)
Profit before income tax	**62,409**	118,490

5. OTHER INCOME

	Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Bank interest income	**463**	464
Bonus from suppliers	**10,894**	12,113
Fair value gains on financial assets at fair value through profit or loss *(note 12)*	**80**	11,737
Gain on disposals of property, plant and equipment	**–**	1,264
Gain on disposals of financial assets at fair value through profit or loss *(note 12)*	**13,823**	–
Imputed interest income on trade and other receivables	**859**	–
Income from exhibition, advertising income and other related income	**5,563**	–
Income from insurance brokerage	**8,090**	5,654
Sub-lease income	**8,725**	8,230
Others	**5,115**	1,697
	53,612	41,159

6. OPERATING PROFIT

	Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Operating profit is arrived at after charging/(crediting):		
Amortisation of other intangible assets#	**769**	769
Depreciation of property, plant and equipment*	**15,626**	12,709
Exchange differences, net	**390**	374
Fair value losses on derivative financial instruments**	**3,292**	–
Gain on disposals of property, plant and equipment	**–**	(1,264)
Operating lease payments in respect of rented premises	**58,882**	43,788
Defined contribution retirement benefits scheme contributions for employees	**3,290**	1,957
Staff costs, including directors' emoluments	**17,986**	16,851
Equity-settled share option expenses for staff	**–**	1,532
Total staff costs	**21,276**	20,340

Amortisation of other intangible assets of approximately HK$769,000 for the six months ended 30 September 2012 (six months ended 30 September 2011: HK$769,000) has been included in administrative expenses.

* *Depreciation of approximately HK$11,157,000 for the six months ended 30 September 2012 (six months ended 30 September 2011: HK$9,812,000) has been included in selling and distribution costs and approximately HK$4,469,000 for the six months ended 30 September 2012 (six months ended 30 September 2011: HK$2,897,000) has been included in administrative expenses.*

** *The amount has been included in other operating expenses.*

7. FINANCE COSTS

	Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interest expenses on financial liabilities stated at amortised cost:		
– Bank loans and overdrafts wholly repayable within five years	**10,347**	3,886

8. INCOME TAX EXPENSE

Hong Kong Profits Tax has been provided at the rate of 16.5% (six months ended 30 September 2011: 16.5%) on estimated assessable profit for the period. Taxation on profits derived outside Hong Kong has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the jurisdictions in which the Group operates.

Income tax of certain subsidiaries of the Company in the PRC is charged at 25% (six months ended 30 September 2011: 18% to 25%) on deemed profits calculated at 7% to 10% (six months ended 30 September 2011: 6% to 10%) on revenue in accordance with relevant tax regulations in the PRC.

	Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current tax		
Hong Kong:		
– Tax for the period	**1,081**	1,686
Overseas:		
– Tax for the period	**1,749**	5,671
	2,830	7,357
Deferred tax		
– Tax for the period	**(353)**	(473)
Total income tax expense	**2,477**	6,884

9. DIVIDENDS

(a) Dividends attributable to the period

The directors of the Company recommend the payment of an interim dividend out of the contributed surplus of the Company of HK0.2 cent (six months ended 30 September 2011: HK0.5 cent) per ordinary share, totalling HK$5,960,000 (six months ended 30 September 2011: HK$14,899,000) in respect of the six months ended 30 September 2012. The proposed dividend has not been reflected as a dividend payable in the interim financial information, but will be reflected as an appropriation of contributed surplus for the six months ended 30 September 2012.

	Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Interim dividend to existing shareholders	**5,960**	14,899

(b) Dividends attributable to previous financial year, approved during the period

	Six months ended 30 September	
	2012	2011
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Final dividend of HK0.3 cent per share (2011: HK1 cent) to existing shareholders *(note)*	**8,939**	29,763

Note: The final dividend of HK$8,939,000 represented dividend payable by the Company to its owners for the year ended 31 March 2012 which has been included in other payables as at 30 September 2012.

10. EARNINGS PER SHARE

(a) Basic

The calculation of basic earnings per share is based on the profit attributable to the owners of the Company of HK$59,844,000 (six months ended 30 September 2011: HK$111,923,000) and on the weighted average of 2,979,828,850 (six months ended 30 September 2011: 2,976,981,287) ordinary shares in issue during the period.

(b) Diluted

The diluted earnings per share for the six months ended 30 September 2012 was not presented as the potential ordinary shares have anti-dilutive effect on earnings per share.

The calculation of diluted earnings per share for the six months ended 30 September 2011 was based on the profit attributable to the owners of the Company of HK$111,923,000 as used in the calculation of basic earnings per share and the weighted average number of ordinary shares of 2,981,765,261 outstanding during the six months ended 30 September 2011, after adjusting for the effects of all dilutive potential ordinary shares.

The weighted average number of ordinary shares used in the calculation of diluted earnings per share for the six months ended 30 September 2011 was calculated based on the weighted average of 2,976,981,287 ordinary shares in issue during the six months ended 30 September 2011 as used in the calculation of basic earnings per share plus the weighted average of 4,783,974 ordinary shares deemed to be issued at no consideration as if all the outstanding share options had been exercised.

11. BALANCES WITH RELATED PARTIES

(a) Rental deposits paid to related parties

During the year ended 31 March 2012, the Group entered into several agreements with Mr. Qi Jian Hong ("Mr. Qi"), a substantial shareholder of the Company, and his close family member for leasing of properties as office premises, bonded warehouse and showrooms in the PRC to the Group. The rental deposits paid to Mr. Qi of approximately HK$13,632,000 (31 March 2012: paid to Mr. Qi and his close family member of approximately HK$14,232,000) have been recognised as non-current assets as at 30 September 2012.

(b) Amount due from a related party

The amount due from Mr. Qi resulting from prepaid rental expenses for leasing of properties as office premises, bonded warehouse and showrooms in the PRC to the Group is unsecured, interest-free and repayable on demand but the directors of the Company expect such amount would be utilised through setting off of future rental expenses payable to this related party within one year.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

During the six months ended 30 September 2012, the Group acquired certain wine futures at acquisition cost of approximately HK$406,000. These wine futures were classified as financial assets at fair value through profit or loss. As at 30 September 2012, the fair value of these wine futures, determined by a firm of independent professional valuers with reference to the underlying value of the wines in the market, amounted to approximately HK$486,000. The gain of approximately HK$80,000 (six months ended 30 September 2011: HK$11,737,000) arising from the changes of the fair value of the wine futures have been recognised in profit or loss for the six months ended 30 September 2012 and included in other income as disclosed in note 5.

During the year ended 31 March 2012, the Group acquired certain wine futures at acquisition cost of approximately HK$69,999,000. These wine futures were classified as financial assets at fair value through profit or loss. As at 31 March 2012, the fair value of these wine futures, determined by a firm of independent professional valuers with reference to the underlying value of the wines in the market, amounted to approximately HK$79,837,000.

During the six months ended 30 September 2012, the Group has disposed of certain wine futures at a consideration of approximately HK$93,660,000. A gain of approximately HK$13,823,000 (six months ended 30 September 2011: Nil) arising from disposal of wine futures has been recognised in profit or loss for the six months ended 30 September 2012 and included in other income as disclosed in note 5.

13. TRADE RECEIVABLES

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Current portion	**61,015**	29,529
Non-current portion	**28,639**	–
	89,654	29,529

An ageing analysis of trade receivables as at the reporting dates, based on the invoice dates, and net of impairment losses, is as follows:

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 – 30 days	**86,636**	20,698
31 – 60 days	**49**	7,143
61 – 90 days	**421**	256
Over 90 days	**2,548**	1,432
	89,654	29,529

It is the Group's credit policy that sales to retail customers are mainly on receipts in advance from customers or cash on delivery while sales to wholesale customers are mainly on a credit basis up to 18 months (31 March 2012: up to 12 months).

Included in trade receivables, there is a receivable amounted to approximately HK$85,783,000 as at 30 September 2012 in relation to sales of fine wines which is repayable by quarterly instalments starting from September 2012 and up to December 2013. As at 30 September 2012, trade receivables of approximately HK$28,639,000 (31 March 2012: Nil) will be receivable by the Group after one year from the reporting date and therefore were classified as non-current assets of the Group.

14. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Included in deposits, prepayments and other receivables, there is a receivable amounted to approximately HK$74,507,000 as at 30 September 2012 in relation to disposal of wine futures which is repayable by quarterly instalments starting from September 2012 and up to December 2013. As at 30 September 2012, other receivables of approximately HK$16,788,000 (31 March 2012: Nil) will be receivable by the Group after one year from the reporting date and therefore were classified as non-current assets of the Group.

15. TRADE PAYABLES

The following is an ageing analysis of trade payables as at the reporting dates based on the invoice dates:

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 – 30 days	**6,181**	11,855
31 – 60 days	**987**	4,597
61 – 90 days	**678**	600
Over 90 days	**4,851**	3,383
	12,697	20,435

16. BORROWINGS

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Current portion:		
Bank loans, guaranteed	**61,728**	60,976
Bank loans, secured	**26,612**	18,132
Bank loans, secured and guaranteed	**453,060**	123,370
Bank overdrafts, secured and guaranteed	**12,357**	5,955
	553,757	208,433
Non-current portion:		
Bank loans, secured and guaranteed	**–**	56,000
	553,757	264,433

As at the reporting date, total current and non-current bank loans and overdrafts were scheduled to repay as follows:

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
On demand or within one year	**553,757**	208,433
In the second year	**–**	28,000
In the third to fifth years	**–**	28,000
	553,757	264,433

The effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are:

	30 September 2012	31 March 2012
	(Unaudited)	(Audited)
Bank loans, secured and/or guaranteed	**HIBOR + 2% to HIBOR + 4% per annum, LIBOR + 1.8% to LIBOR + 2.5% per annum and 6.2% to 8.5% per annum**	HIBOR + 1.8% to HIBOR + 4% per annum, LIBOR + 2% to LIBOR + 2.5% per annum and 6.1% to 8.5% per annum
Bank overdrafts, secured and guaranteed	**HIBOR + 3% per annum and 5.75% per annum**	HIBOR + 3% per annum

As at 30 September 2012, certain equity interest of subsidiaries in the PRC and certain inventories and bank deposits of the Group (31 March 2012: certain inventories and bank deposits of the Group) were pledged to banks to secure general banking facilities granted to the Group.

The bank loans were also subject to corporate guarantees executed by the Company and certain subsidiaries during the six months ended 30 September 2012 and the year ended 31 March 2012.

The carrying values of borrowings are considered to be a reasonable approximation of fair values.

As at 30 September 2012, the borrowings of the Group included a 3-year bank loan (the “Loan”) from Standard Chartered Bank (HK) Limited (the “Bank”) of HK$100,000,000 (31 March 2012: HK$70,000,000). Pursuant to the original repayment schedule, HK$60,000,000 of the Loan was repayable over one year from the reporting date, while HK$40,000,000 of the Loan was repayable within one year. The Loan was secured by corporate guarantees executed by the Company’s subsidiaries and bank deposits. Pursuant to the facility agreement of the Loan (the “Facility Agreement”) dated 26 January 2012 with the Bank, the Group is required to comply with covenants in relation to certain financial benchmarks. During the preparation of the interim financial report, the directors of the Company considered that the Group has not complied with some of the covenants as set out in the Facility Agreement and have informed the Bank accordingly. In these regards, the directors of the Company considered the entire outstanding balance of the Loan would be repayable on demand as at 30 September 2012. Accordingly, the balance of the Loan of HK$60,000,000, which originally repayable over one year from the reporting date, was classified as current liabilities as at 30 September 2012. The Group had applied to the Bank for a waiver from strict compliance of the covenants as set out in the Facility Agreement and as of the date of this result announcement, the Group has obtained such waiver from the Bank.

The carrying amounts of the borrowings are denominated in the following currencies:

	30 September 2012	31 March 2012
	HK$’000	*HK$’000*
	(Unaudited)	(Audited)
Hong Kong Dollars	**151,190**	148,727
Renminbi (“RMB”)	**388,104**	115,706
European Euros	**6,808**	–
Swiss Franc	**6,821**	–
United States Dollars	**834**	–
	553,757	264,433

17. ASSETS/LIABILITIES CLASSIFIED AS HELD FOR SALE

During the six months ended 30 September 2012, the Group entered into a sale and purchase agreement with an independent third party to dispose of its entire 51% equity interest in a subsidiary of the Group, namely Dalian Bo Yi Motors Trading Limited ("Dalian Bo Yi"), for a cash consideration of RMB5,100,000 (the "Disposal"). Dalian Bo Yi was incorporated in the PRC and is principally engaged in trading of automobiles and related parts and accessories and provision of after-sale services. As at 30 September 2012, the Disposal had not yet been completed. In accordance with HKFRS 5, the Group has reclassified the assets and liabilities of Dalian Bo Yi as at 30 September 2012 as assets/liabilities held for sale in the Group's consolidated statement of financial position. The Disposal is not yet completed up to the date of this result announcement.

An analysis of the assets and liabilities of Dalian Bo Yi classified as held for sale as at 30 September 2012 is as follows:

	30 September 2012
	HK$'000
	(Unaudited)
Assets classified as held for sale	
Property, plant and equipment	**3,007**
Inventories	**14,102**
Deposits, prepayments and other receivables	**3,209**
Cash at banks and in hand	**7,279**
	27,597
Liabilities classified as held for sale	
Receipts in advance, accrued charges and other payables	**17,037**

18. OPERATING LEASE COMMITMENTS

(a) Group as lessor

The Group sub-leases out a number of rented premises under operating leases. The leases run for an initial non-cancellable period of 5 years. The rentals on this lease are calculated based on a percentage of the relevant sales of the tenants pursuant to the rental agreement. Contingent rents recognised in profit or loss during the six months ended 30 September 2012 amounted to approximately HK$8,725,000 (six months ended 30 September 2011: HK$8,230,000).

(b) Group as lessee

As at the reporting date, the total future minimum lease payments payable by the Group under non-cancellable operating leases, including operating lease commitment to related parties, are as follows:

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within one year	**105,372**	117,943
In the second to fifth year inclusive	**312,351**	333,099
After five years	**205,114**	233,540
	622,837	684,582

The Group leases a number of office premises, bonded warehouse, showrooms and staff quarters under operating leases. The leases run for an initial period of one to ten years (31 March 2012: one to ten years). None of these leases include contingent rentals.

19. CAPITAL AND OTHER COMMITMENTS

	30 September 2012	31 March 2012
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Contracted but not provided for in respect of acquisition of property, plant and equipment	**3,750**	39,014

Save as mentioned above, as at the reporting date, according to certain distributorship agreements for trading of luxury goods, the Group has committed to open nine (31 March 2012: thirteen) boutiques during the terms of the distributorship period.

MANAGEMENT DISCUSSION AND ANALYSIS

Business and Financial Review

The Group recorded a significant decrease in profit for the six-month period ended 30 September 2012 as compared with the six-month period ended 30 September 2011.

The significant decrease in profit of the Group for this interim period as compared to the profit recorded in the corresponding period of last financial year is mainly attributable to the significant decrease in segmental turnover and gross profit of automobiles dealership business of our Group.

Automobile Dealerships

The performance of automobile dealerships was weak during the six months ended 30 September 2012. During this six-month period, number of automobiles sold in terms of different brands was 179 Bentley, 18 Lamborghini and 71 Rolls-Royce compared to 234 Bentley, 37 Lamborghini and 142 Rolls-Royce respectively of corresponding period of 2011.

Revenue of automobiles sales amounted to HK$1,307 million compared to HK$1,926 million of same period last year. The gross profit margin ("GPM") decreased slightly to 6.2% from 8.5% of same period last year.

Revenue derived from after-sale service to automobiles increased to HK$44.3 million from HK$32.3 million of corresponding period of last year. Out of the total revenue of HK$44.3 million from after-sale service, HK$42.1 million (interim 2011: HK$31.8 million) came from Beijing service centre while HK$2.2 million (interim 2011: HK$0.5 million) came from Tianjin service centre.

At the same time, the gross profit margin of after-sale service increased slightly to 57% from 55% of same period last year.

Watch Distributorships

During the current period, 33 pieces of Richard Mille watches, 27 pieces of DeWitt watches and 115 pieces of Parmigiani watches were sold (interim 2011: 96 Richard Mille, 67 DeWitt and 167 Parmigiani). The overall GPM for watches segment increased from 28% to 42%. The increase of the GPM reflected the well recognition of the watch brands by the market.

Nevertheless, we received significant support from certain brands in retrocession and sharing of communication and marketing expenses which were reflected in other income.

Jewellery Distributorships and Fine Wines Dealerships

During the current period, reportable segment revenue for jewellery distribution and fine wines dealerships were approximately HK$22.8 million and HK$110.4 million respectively compared with HK$16.6 million and HK$9.3 million of corresponding period of 2011.

The overall GPM for jewellery segment increased from 42% to 54%.

On the other hand, the overall GPM for fine wines dealerships was 28% compared with 61% in same period last year.

Numbers and Remuneration of Employees

As at 30 September 2012, the Group has 431 employees (31 March 2012: 348). Staff costs (including directors' emoluments) charged to profit or loss amounted to approximately HK$21.3 million for six months ended 30 September 2012 (interim 2011: HK$20.3 million). All permanent employees were under the remuneration policy of fixed monthly salary with discretionary bonus.

Share Option Scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's business. Eligible participants of the Scheme include any director (including executive, non-executive and independent non-executive director), any employee, or any consultant, advisor, customer and business associates. The Company's Scheme was adopted pursuant to an ordinary resolution passed at a special general meeting of the Company held on 7 October 2002 for the primary purpose of providing incentives to directors and eligible employees. The Scheme was to be expired on 6 October 2012.

Pursuant to an ordinary resolution passed at an annual general meeting of the Company held on 20 August 2012, the Company's new share option scheme (the "New Scheme") was adopted and the Scheme was terminated.

Under the New Scheme, the board of directors of the Company may, at its discretion, grant options to eligible employees, including executive directors, suppliers, customers, advisers or consultants and joint venture partners or business alliances of the Company or any of its subsidiaries to subscribe for shares in the Company.

The total number of shares in respect of which options may be granted under the New Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholder or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK$5,000,000 must be approved in advance by the Company's shareholders.

Options granted must be taken up within 21 days of the date of grant, upon payment of HK$1 per each grant of options. Options may be exercised from the date of grant of the share option to the tenth anniversary of the date of grant. The exercise price is determined by the directors of the Company and will not be less than the highest of the closing price of the shares on the Stock Exchange on the date of grant, the average closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options or the nominal value of the shares.

All share-based employee compensation will be settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options other than by issuing the Company's ordinary shares.

Total number of shares to be issued under the Scheme outstanding as at 30 September 2012 was totally 15,764,000 shares.

The weighted average exercise price for the outstanding share options as at 30 September 2012 was HK$1.038 per share (31 March 2012: HK$1.038).

The weighted average share price for share options exercised during the six months ended 30 September 2011 at the date of exercise was HK$0.95 per share.

Liquidity and Financial Resources

The Group's total assets as at 30 September 2012 were approximately HK$2,306.8 million (31 March 2012: HK$1,922.9 million) which were supported by the shareholders' fund of HK$1,511.0 million (31 March 2012: HK$1,452.2 million). On the other hand, the Group has total liabilities of HK$790.9 million (31 March 2012: HK$465.9 million).

The directors consider that the Group has sufficient working capital for its operations and financial resources for financing future investment opportunities in suitable business ventures.

Capital Structure

The Group's gearing ratio computed as total borrowings over the owners' equity increased to 36.6% as at 30 September 2012 (31 March 2012: 18.2%).

Exposure to Foreign Exchange

The revenue of the Group is mainly denominated in Hong Kong dollars and Renminbi while the production cost and purchases are mainly denominated in Euro, Swiss Franc, Hong Kong dollars, and Renminbi.

For this period, the Group is mainly exposed to foreign currency exchange risk of Euro and Swiss Franc and the management mainly monitored the foreign currency exchange risk with advices from the Group's major bankers.

Contingent liabilities and capital commitment

The Group had capital commitment mainly for acquisition of property, plant and equipment. The Board considered that the Group had no material contingent liabilities as at 30 September 2012. The Group had capital commitment of HK$3,750,000 as at 30 September 2012 (31 March 2012: HK$39,014,000) in respect of the acquisition of property, plant and equipment.

Charges on Assets

As at 30 September 2012, bank deposits and inventories of the Group with an aggregate carrying amount of approximately HK$82.9 million (31 March 2012: HK$39.1 million) and HK$249.2 million (31 March 2012: HK$49.4 million) respectively were pledged to secure general banking facilities granted to the Group.

Early termination of An Office Rental, Management Fees and Office Expenses Agreement ("RMO Agreement")

As Beijing Sparkle Roll Luxury World (China Headquarter) including office spaces has been in full operations in September 2012, the RMO Agreement with Ms. Zhu Shuang, spouse of Mr. Qi, the largest substantial shareholder of our company, as disclosed in page 27 of our Annual Report 2012, was terminated by mutual agreement with effect from 30 September 2012. There was no compensation required according to the mutual agreement.

Non-compliance of Loan Covenants and Waiver

As stated in Note 16 to the interim financial results herein, the Group has not complied with some of the covenants as set out in the Facility Agreement and has started amicable discussions with the Bank for a waiver from strict compliance of those covenants. A waiver consent and amendment letter from the Bank was duly and swiftly obtained.

PROSPECTS

Due to the volatile global market conditions caused by the Eurozone debt crisis, risk of the Fiscal Cliff in the US and a slowdown in China's growth, the performance of China's economy was undoubtedly affected. But the Central Government still expects GDP growth for 2012 to be maintained at 7.5%. The 18th Party Congress, which ended in mid-November, followed by the installation of the 7-member Politburo Standing Committee of the Communist Party of China, lay a solid footing in sustaining growth in the PRC and restoring confidence in the economic outlook.

In view of the unstable situation during this financial period, our board of directors has estimated a drop in profit after tax and decided to issue a profit warning on 2 November 2012. According to the announcement, the Board would like to inform the shareholders of the Company and potential investors that the Group was expected to record a significant decrease in profit for the 6-month period ended 30 September 2012 as compared with the 6-month period ended 30 September 2011 mainly due to a significant drop in revenue and gross profit in the automobile dealership business. The expected significant decrease in profit was mainly due to the softening of economic growth and competitive market conditions that prevailed over the automobile dealership business in the mainland China.

During this financial period, the Group's revenue decreased by 26.2%, reaching HK$1.541 billion, compared with HK$2.087 billion in the previous financial period. Gross profit for this financial period decreased by 22.2%, reaching HK$173.6 million, compared with HK$223.2 million in the previous financial period, while net profit for this financial period decreased by 46.3%, reaching HK$59.9 million compared with HK$111.6 million in the previous financial period. The drop in net profit was more severe than the drop in gross profit because of substantial decoration charges and rental expenses, which are relatively fixed in nature, for our showrooms, boutiques and the three shopping malls under the name of "Sparkle Roll Luxury World". In addition, during the period, the economic momentum in mainland China has softened or slowed down, along with a surge in finance costs.

China's Luxury Goods Market

There are heaps of ongoing updates and research reports from reputable authorities, investment banks and global research houses reporting "the Slowdown of China's Luxury Market". The "Worldwide Luxury Markets Monitor Spring 2012 Update" was issued on 7 May 2012 by Bain & Company, a leading global business consulting firm and Altagamma, the Italian luxury goods industry trade association. Bain & Company estimates that Chinese economy is slowing down slightly but is still growing 4-5 times more than the US and Western Europe. The report also states growth in the luxury goods market will slow down this year as Chinese consumers spend less at home and give fewer gifts, as they await the imminent change in the Central Government of the PRC. Additionally, the value of the luxury goods market is expected to rise 5 per cent at constant exchange rates to €212 billion, compared with an increase of 13 per cent last year and 8 per cent in 2010. The study finds Greater China (mainland China, Hong Kong & Macau) has surpassed Japan as the world's second-biggest luxury goods market after the US.

The consumer research group Euromonitor International issued an article titled "China to become 2nd biggest luxury market by 2017" on 9 October 2012. It mentions that while China's importance to luxury goods makers has soared in recent years, signs have emerged of easing demand growth. Developed countries still dominate the personal luxury market but economic woes are reducing demand while the rising middle class in emerging economies takes up the slack. The research firm predicts luxury goods sales could top US$302 billion worldwide this year, up 4.0 percent from 2011. China is set to become the world's second-biggest market for luxury goods after the United States in five years, overtaking France, Britain, Italy and Japan.

BUSINESS REVIEW

Automobile Dealerships

During the period, revenue from the sales of the ultra-luxury automobile for the dealerships of Bentley, Lamborghini and Rolls-Royce recorded a 32.1% decrease to HK$1.307 billion, compared with HK$1.926 billion in the previous financial period. All ultra-luxury cars under the Group have recorded adverse sales results during this financial period. Among the 3 ultra-luxury brands under our Group, Bentley has performed the best with 179 units sold, representing only a 23.5% decrease in units sold in this financial period compared with 234 units during the previous financial period.

According to the press release issued by Volkswagen regarding "Bentley sustains strong growth in delivers in Q3" on 4 October 2012, there has been a 25% increase in global sales with 5,969 cars delivered to customers at the end of September 2012, which was up from 4,759 in 2011. Strong performance was found in China where deliveries were up 26% with 1,525 cars delivered to customers, making it the 2nd world largest seller of Bentley. It proves that the China market still plays a crucial role for the brand even though an uncertain global economy has significantly dented sales for the ultra-luxury automaker. With the arrival of the new model of GT Speed, we strongly believe it will stimulate China sales in the next few months to gradually push the sales figures upward.

Rolls-Royce Beijing has recorded a 50% drop in unit sales to 71 units sold during this financial period, compared with 142 units in the same period last year.

Lamborghini's performance was the weakest among our 3 brands during this financial period with a total of 18 units sold, representing a decrease of 51.4% compared with 37 in the previous financial period. As the opportunity to operate dealership in other ultra-luxury brands in Dalian in the future is quite remote, we decided to sell out our 51% interest in the Lamborghini dealership in Dalian so as to stay focused on the Beijing dealership of Lamborghini in the upcoming financial periods.

Revenues from after-sale services of this interim period outperformed and reached approximately HK$44.3 million, an increase of 37.2% compared with the same period last year. We expect after-sale services income will further grow steadily in the upcoming financial periods.

Watch Distributorships

During the current financial period, the sales performance of our super deluxe branded watch division recorded a drop of all brands under the Group, but it recorded an improved margin of 42% compared with 28% in the previous financial period. For Parmigiani, a total of 115 watches were sold, a 31.1% drop compared with 167 in the previous interim period, but it contributed over half of this sector's total income. Another super brand, Richard Mille, recorded a drop of 65.6%, with a total of 33 watches sold compared with 96 in the previous interim period. Lastly, DeWitt also recorded decreased sales during this financial period compared with the previous financial period with a total of 27 watches sold. Since the Beijing Sparkle Roll Luxury World (China Headquarter) and Tianjin Sparkle Roll Luxury World have just been under full operation, we are confident that both malls will boost the sales of the watch division in the upcoming financial periods.

Jewellery Distributorships

Thanks to the up and running Beijing Sparkle Roll Luxury World (China Headquarter) and Tianjin Sparkle Roll Luxury World, along with Beijing Sparkle Roll Luxury World (Hua Mao), the Jewellery Division has outperformed during the interim period with a total turnover of approximately HK$22.8 million, an increase of 22.6% compared with the same period last year with a total of 271 pieces of jewellery sold. Coupled with the expanded points of sales, along with the growing acceptance and popularity of both brands under our Group, the Group is optimistic that our jewellery sector will gain further momentum in the upcoming financial periods.

Boucheron, the first renowned top-tier brand we acquired, has outperformed during this financial year. Sales increased 30% compared with the previous financial period, reaching around HK$21.3 million compared with HK$16.4 million, with improved gross margin to 54% versus 42% in the previous financial year.

Another renowned brand under our Group, Royal Asscher, has established outlets at Beijing Sparkle Roll Luxury World (Hua Mao) as well as Beijing Sparkle Roll Luxury World (China Headquarter) and Tianjin Sparkle Roll Luxury World. The brand recorded sales of 14 high-end jewellery pieces during the current interim period.

It is our strategy to further expand our diamond and high-jewellery business opportunities in an innovative but prudent manner.

Fine Wines Dealerships

Overall performance of the wine section was brilliant during the interim period with total sales of HK$110.4 million. Sales of top fine wines rocketed over 50 times from HK$1.9 million to HK$106.2 million. However, sales of Ex-Chateaux (逸仕賞度), the Group's self-created Bordeaux fine wine brand, dropped 42.9% during this financial period to HK$4.2 million. The trademark of Ex-Chateaux has been registered in Hong Kong, the PRC, the EU and Taiwan.

Thanks to the cozy wine cellar located in Beijing Sparkle Roll Luxury World (China Headquarter) and Tianjin Sparkle Roll Luxury World, coupled with advertising and promotional campaigns, we hope to start building up a distribution network in the foreseeable future.

Additionally, we disposed of our investment in wine futures of "En Primeur 2010" during this financial period and recorded disposal gain of approximately HK$13.8 million.

Other Distributorships

In October 2011, the Group entered into a cooperation agreement initially with Buben & Zorweg Group, a top-notch Austrian manufacturer in Objects of Time which are a combination of watch winder, clocks (tourbillon), safe, wine fridge, humidor and additional functions such as hifi system. Upon the opening of a retail establishment at Beijing Sparkle Roll Luxury World (China Headquarter), the brand recorded sales of 8 pieces of high-end products during this financial period.

Outlook

China is expected to replace Japan as the world's top consumer of luxury goods by 2012 due to the growing demand in China and the declining consumption in Japan, according to a survey conducted by the World Luxury Association (WLA) in Beijing released on 8 November 2012. The survey ranks China second with a 27 percent market share of global consumption by the end of May, slightly lower than Japan's 29 percent, and higher than 14 percent for the United States and 18 percent for Europe. Additionally, the survey reveals that China is the country with the fastest annual growth, and a stronger yen and a weaker euro will also increase the purchasing power of Chinese consumers.

With China becoming the world's largest luxury market and playing a more prominent role in the global luxury market, the Directors will continue to steer the Group to the consumer discretionary sector, hoping to expand our non-auto section business in the PRC. We are glad to see the Group has been moving towards a consumer discretionary format with the auto business, accounting for 87% of total revenue while the non-auto section has been expanded, representing 13% of the Group's total revenue.

From 6 to 9 September 2012, our first "Beijing Sparkle Roll Luxury Brands Culture Expo 2012 Fall" ("Luxpo") themed "The New Age of Luxury" was held at the China National Convention Center in Beijing with success and recognition. There were over 40 high-end brands with around 20 categories participating in the exhibition. Riding on the success of the first Luxpo, the Group has extended its foothold to Chengdu. A mini luxpo was organized there from 21 to 23 October 2012 and it generated an enthusiastic response. The Group plans to organize a 3-day luxpo in Taiyuan, Shanxi, in early January 2013. In 2013, we are planning to organize a luxury forum and the second Luxpo in Beijing in addition to a few luxpos. The purposes of organizing luxpos not only provides a platform to bridge east and west, thus bringing more luxury brands from Europe into the PRC but also enhancing the prominence of Sparkle Roll Group as a reputable and professional brand managers for luxury brands as well as fostering a closer relationship with existing brands and end customers, potential or existing, through the roadshows of luxpos.

Upon the grand launch of Beijing Sparkle Roll Luxury World (China Headquarter) and Tianjin Sparkle Roll Luxury World in September 2012, the Group will eye new business opportunities to accomplish our "Luxury World concept". We are confident that the concept will work and turn into one of our major income growth drivers in the next few years.

Looking ahead, the Group is still cautiously optimistic towards the luxury goods markets in the PRC. We will continue to adopt a prudent approach to eye new business expansion in the non-auto section, including opportunities in the audio-video sector to increase our presence and expand our luxury goods market in the PRC.

On this note, the Board is pleased to declare an interim dividend of HK0.2 cent per share, thus affirming our faith in our business prospects.

INTERIM DIVIDEND

The Board has resolved to recommend the payment of an interim dividend out of the contributed surplus of the Company in respect of the current period of HK0.2 cent (six months ended 30 September 2011: HK0.5 cent) per share.

The proposed divided has not been reflected as a dividend payable in these financial statement, but will be reflected as an appropriation of contributed surplus for the six-month period ended 30 September 2012.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed on 31 December 2012, Monday, during which no transfers of shares will be effected. To determine the entitlement of shareholders to the interim dividend, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 28 December 2012, Friday.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the period.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to the existing shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as a code of conduct regarding directors' securities transactions. All the members of the Board have confirmed, following specific enquiry by the Company, that they have complied, with the required standards set out in the Model Code throughout the six months ended 30 September 2012.

CORPORATE GOVERNANCE PRACTICES

The Company acknowledges the importance of good corporate governance practices and procedures and regards a pre-eminent board of directors, sound internal controls and accountability to all shareholders as the core elements of its corporate governance principles. The Company endeavors to ensure that its businesses are conducted in accordance with rules and regulations, and applicable codes and standards. The Company has adopted the Code Provisions of the Corporate Governance Code (the "Code") as set out in Appendix 14 to the Listing Rules.

The Stock Exchange has made certain amendments ("Amendments") to the Listing Rules, which are related to the Code, practices and the reporting. Such Amendments took effect (or, as the case may be, would take effect) from 1 January 2012, 1 April 2012 or 31 December 2012 respectively.

With the introduction of the Code as revised with effect from 1 April 2012 ("Revised Code"), the Board adopted a policy statement in line with the principles and code provisions of the Revised Code.

The Board periodically reviews the corporate governance practices of the Company to ensure its continuous compliance with the Code and the Revised Code and the Board is of the opinion that the Company was in compliance with the Code and the Revised Code for the six months ended 30 September 2012.

Audit Committee

The Audit Committee comprises three independent non-executive directors, namely Mr. Choy Sze Chung, Jojo (Chairman of the Audit Committee), Mr. Lam Kwok Cheong and Mr. Lee Thomas Kang Bor with written terms of reference in line with the code provisions set out in the CG Practices. The Audit Committee has reviewed, with the management, the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the unaudited condensed consolidated interim financial statements for the six months ended 30 September 2012 (the "Interim Financial Results"). The Audit Committee is not aware of any material modifications that should have been made to the Interim Financial Results for the six months ended 30 September 2012.

BDO Limited has reviewed the Interim Financial Results in accordance with the Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA.

Remuneration Committee

The Remuneration Committee comprises three independent non-executive directors, namely, Mr. Lam Kwok Cheong (Chairman of the Remuneration Committee), Mr. Choy Sze Chung, Jojo, Mr. Lee Thomas Kang Bor, and two executive directors, namely Mr. Tong Kai Lap (Chairman of the Board) and Mr. Zheng Hao Jiang (Chief Executive Officer).

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure in relation to the remuneration of directors and senior management and reviewing the specific remuneration packages of all executive directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

Nomination Committee

The Nomination Committee comprises three independent non-executive directors, namely, Mr. Lee Thomas Kang Bor (Chairman of the Nomination Committee), Mr. Choy Sze Chung, Jojo and Mr. Lam Kwok Cheong.

The principal responsibilities of the Nomination Committee include reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the board regarding any proposed changes, identifying individuals suitably qualified to become Board members, and select or make recommendations to the board on the selection of individuals nominated for directorships, assessing the independence of independent non-executive directors; and making recommendations to the Board on relevant matters relating to the appointment or re-appointment of directors and succession planning for directors in particular the chairman and the chief executive officer.

Directors' Responsibilities for the Financial Statements

The directors are responsible for the preparation of the financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results and cash flows for that period. In preparing the Interim Financial Results, the directors have selected suitable accounting policies and applied them consistently, made judgements and estimates that are prudent, fair and reasonable and prepared the Interim Financial Results on a going concern basis. The directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group, for safeguarding the assets of the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Publication of Detailed Results Announcement on the Stock Exchange's Website

The information as required by Appendix of the Listing Rules will be published on the Stock Exchange's website (www.hkex.com.hk) and the Company's website (www.hk970.com) in due course.

By order of the Board
Tong Kai Lap
Chairman

Hong Kong, 22 November 2012

As at the date of this announcement, the Company has three executive Directors, three non-executive Directors and three independent non-executive Directors. The executive Directors are Mr. Tong Kai Lap, Mr. Zheng Hao Jiang and Mr. Zhao Xiao Dong. The non-executive Directors are Mr. Zhang Si Jian, Mr. Gao Yu and Mr. Qi Jian Wei. The independent non-executive Directors are Mr. Choy Sze Chung, Jojo, Mr. Lam Kwok Cheong and Mr. Lee Thomas Kang Bor.