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## GLORIOUS SUN ENTERPRISES LIMITED

### 旭日企業有限公司

*(Incorporated in Bermuda with limited liability)*

(Stock Code: 393)

### Interim Results Announcement

### For the six months ended 30 June 2016

#### INTERIM RESULTS

The Directors of Glorious Sun Enterprises Limited (the “Company”) are pleased to announce the unaudited interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2016 together with the comparative figures for the same period as follows:

#### INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS for the six months ended 30 June 2016

	<i>Notes</i>	<b>2016</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2015 (Unaudited) HK\$'000 (Restated)
REVENUE	(2)	<b>1,671,215</b>	2,294,997
Cost of sales		<b>(940,209)</b>	(1,257,136)
Gross profit		<b>731,006</b>	1,037,861
Other income and gains		<b>51,428</b>	56,679
Selling and distribution expenses		<b>(477,292)</b>	(704,265)
Administrative expenses		<b>(236,045)</b>	(300,809)
Other expenses		<b>(16,084)</b>	(38,782)
Finance costs		<b>(7,295)</b>	(4,446)
<b>OPERATING PROFIT</b>		<b>45,718</b>	46,238
Share of profits and losses of associates		<b>584</b>	497
<b>PROFIT BEFORE TAX</b>	(3)	<b>46,302</b>	46,735
Income tax expense	(4)	<b>(6,248)</b>	(9,702)
<b>PROFIT FOR THE PERIOD</b>		<b>40,054</b>	37,033

**INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)**  
**for the six months ended 30 June 2016**

	<i>Note</i>	<b>2016</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2015 (Unaudited) HK\$'000
Attributable to:			
Ordinary equity holders of the Company		<b>38,473</b>	37,732
Non-controlling interests		<b>1,581</b>	(699)
Profit for the period		<b>40,054</b>	37,033
		<b>HK cents</b>	HK cents (Restated)
Earnings per share attributable to ordinary equity holders of the Company	(5)		
Basic and diluted			
– For profit for the period		<b>3.03</b>	3.57
Interim dividend per share		<b>2.50</b>	3.40

Details of the dividends paid and declared for the period are disclosed in note 9 to this results announcement.

**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**for the six months ended 30 June 2016**

	<b>2016</b> <b>(Unaudited)</b> <b>HK\$'000</b>	2015 (Unaudited) HK\$'000
PROFIT FOR THE PERIOD	<b>40,054</b>	37,033
OTHER COMPREHENSIVE INCOME		
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>		
Available-for-sale investment:		
Changes in fair value, net of tax	-	8,614
Exchange difference on translation of foreign operations	<b>(559)</b>	(14,165)
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	<b>(559)</b>	(5,551)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<b>39,495</b>	31,482
Attributable to:		
Ordinary equity holders of the Company	<b>37,914</b>	32,181
Non-controlling interests	<b>1,581</b>	(699)
	<b>39,495</b>	31,482

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**as at 30 June 2016**

		<b>30 June 2016</b>	31 December 2015
		<b>(Unaudited)</b>	(Audited)
	<i>Notes</i>	<b>HK\$'000</b>	<b>HK\$'000</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>634,041</b>	657,604
Investment properties		<b>161,694</b>	161,694
Held-to-maturity investments		<b>1,300,133</b>	660,482
Other non-current assets		<b>144,561</b>	139,536
Total non-current assets		<u><b>2,240,429</b></u>	<u>1,619,316</u>
<b>CURRENT ASSETS</b>			
Inventories		<b>607,529</b>	591,229
Trade and bills receivables	(6)	<b>311,236</b>	339,050
Prepayments, deposits and other receivables		<b>279,352</b>	320,880
Cash and cash equivalents		<b>551,314</b>	733,436
Other current assets		<b>90,139</b>	92,573
Total current assets		<u><b>1,839,570</b></u>	<u>2,077,168</u>
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	(7)	<b>452,896</b>	595,808
Other payables and accruals		<b>516,343</b>	611,466
Interest-bearing bank and other borrowings		<b>429,694</b>	222,719
Tax payable		<b>128,753</b>	140,217
Other current liabilities		<b>508</b>	86
Total current liabilities		<u><b>1,528,194</b></u>	<u>1,570,296</u>
<b>NET CURRENT ASSETS</b>		<u><b>311,376</b></u>	<u>506,872</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>2,551,805</b></u>	<u>2,126,188</u>
<b>NON-CURRENT LIABILITIES</b>			
Total non-current liabilities		<u><b>70,249</b></u>	<u>76,994</u>
Net assets		<u><b>2,481,556</b></u>	<u>2,049,194</u>
<b>EQUITY</b>			
<b>Equity attributable to ordinary equity holders of the Company</b>			
Issued capital	(8)	<b>153,609</b>	102,406
Reserves		<b>2,316,396</b>	1,937,432
		<u><b>2,470,005</b></u>	<u>2,039,838</u>
<b>Non-controlling interests</b>		<u><b>11,551</b></u>	<u>9,356</u>
Total equity		<u><b>2,481,556</b></u>	<u>2,049,194</u>

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

### (1) Basis of preparation and accounting policies

These interim condensed consolidated financial statements are prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34: *Interim Financial Reporting* and other relevant HKASs and Interpretations, the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

These interim financial statements for the period ended 30 June 2016 are unaudited and have been reviewed by the Audit Committee of the Company.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2016 are the same as those adopted in the preparation of the Group’s financial statements for the year ended 31 December 2015.

In the current interim period, the Group has applied, for the first time, certain amendments to Hong Kong Financial Reporting Standards (“HKFRSs”) and interpretations issued by the HKICPA that are mandatorily effective for the current interim period.

The adoption of the new and revised HKFRSs has had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented.

The Group has not early applied any standard, amendment or interpretation that has been issued but is not yet effective.

## (2) Segment information

During the period, the board of directors of the Company has resolved that resources would continuously be deployed to the financial investments business and accordingly, the financial investments business is redesignated as one of the principal activities of the Group. The results of the financial investments business are also separately reviewed and evaluated for management reporting purposes. Accordingly the presentation of segment information for the period ended 30 June 2015 has been restated to reflect this change of segment composition.

The following table presents segment revenue and result of the Group's operating segments for the six months ended 30 June 2016 and 2015, respectively.

### Six months ended 30 June 2016 (Unaudited)

	<b>Retail operations</b>	<b>Export operations</b>	<b>Financial investments</b>	<b>Other</b>	<b>Total</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Segment revenue (*):					
Sales to external customers	1,415,599	202,298	49,892	3,426	1,671,215
Other income and gains	<u>14,885</u>	<u>4,186</u>	<u>-</u>	<u>17,347</u>	<u>36,418</u>
Total	<u>1,430,484</u>	<u>206,484</u>	<u>49,892</u>	<u>20,773</u>	<u>1,707,633</u>
Segment result	<u>10,307</u>	<u>1,896</u>	<u>47,934</u>	<u>8,390</u>	<u>68,527</u>
Interest income					3,134
Unallocated revenue					11,876
Corporate and other unallocated expenses					(30,524)
Finance costs					(7,295)
Share of profits and losses of associates	-	584	-	-	<u>584</u>
Profit before tax					46,302
Income tax expense					<u>(6,248)</u>
Profit for the period					<u>40,054</u>

(2) **Segment information** (Continued)

Six months ended 30 June 2015 (Unaudited)

	Retail operations HK\$'000	Export operations HK\$'000	Financial investments HK\$'000 (Restated)	Other HK\$'000	Total HK\$'000 (Restated)
Segment revenue (*):					
Sales to external customers	2,020,136	249,280	25,007	574	2,294,997
Other income and gains	<u>24,315</u>	<u>4,177</u>	<u>-</u>	<u>9,636</u>	<u>38,128</u>
Total	<u>2,044,451</u>	<u>253,457</u>	<u>25,007</u>	<u>10,210</u>	<u>2,333,125</u>
Segment result	<u>40,907</u>	<u>2,336</u>	<u>23,861</u>	<u>1,556</u>	68,660
Interest income					10,538
Unallocated revenue					8,013
Corporate and other unallocated expenses					(36,527)
Finance costs					(4,446)
Share of profits and losses of associates	-	497	-	-	<u>497</u>
Profit before tax					46,735
Income tax expense					<u>(9,702)</u>
Profit for the period					<u>37,033</u>

\* There were no inter-segment sales and transfers during the periods concerned.

(3) **Profit before tax**

The Group's profit before tax is arrived at after charging/(crediting):

	Six months ended 30 June	
	2016 (Unaudited) HK\$'000	2015 (Unaudited) HK\$'000 (Restated)
Depreciation	<b>54,855</b>	62,388
Recognition of prepaid land lease payments	<b>85</b>	89
Loss on disposal/write-off of items of property, plant and equipment	<b>5,519</b>	6,065
Interest income	<u><b>(3,134)</b></u>	<u>(10,538)</u>

**(4) Income tax expense**

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates:

	<b>Six months ended 30 June</b>	
	<b>2016</b>	<b>2015</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Current - Hong Kong	<b>5,415</b>	3,752
Current - Elsewhere	<b>1,717</b>	6,686
Deferred	<b>(884)</b>	(736)
	<b><u>6,248</u></b>	<b><u>9,702</u></b>

No tax expense attributable to associates (2015: Nil) is included in "Share of profits and losses of associates" on the face of the interim consolidated statement of profit or loss.

**(5) Earnings per share**

*(a) Basic earnings per share*

The calculation of basic earnings per share for the six months ended 30 June 2016 is based on the profit attributable to equity holders of the Company of HK\$38,473,000 (2015: HK\$37,732,000) and the weighted average number of 1,271,049,000 (2015(restated): 1,057,519,000\*) ordinary shares in issue during the period.

\* The weighted average number of ordinary shares adopted in the calculation of the basic and diluted earnings per share for the periods ended 30 June 2016 and 2015 have been adjusted to reflect the bonus element of the rights issue during the period ended 30 June 2016.

*(b) Diluted earnings per share*

As the exercise price of the share options outstanding during the periods ended 30 June 2016 and 2015 are higher than the respective average market price of the Company's shares during the period ended 30 June 2016 and 2015, there is no dilution effect on the basic earnings per share.

(6) **Trade and bills receivables**

The trade and bills receivables include trade receivables, net of provision for impairment, of HK\$311,236,000 (31 December 2015: HK\$338,684,000) and bills receivable of nil balance (31 December 2015: HK\$366,000). The bills receivables were aged less than four months as at the end of the reporting period. The aged analysis of trade and bills receivables is as follows:

	<b>30 June 2016 (Unaudited) HK\$'000</b>	31 December 2015 (Audited) HK\$'000
Neither past due nor impaired	<b>219,809</b>	269,500
Less than 6 months past due	<b>66,201</b>	43,554
Over 6 months past due	<b>25,226</b>	25,996
	<b><u>311,236</u></b>	<u>339,050</u>

The credit period is generally 45 days to its trade customers.

(7) **Trade and bills payables**

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the payment due date, is as follows:

	<b>30 June 2016 (Unaudited) HK\$'000</b>	31 December 2015 (Audited) HK\$'000
Less than 4 months	<b>449,351</b>	594,287
4 - 6 months	<b>2,063</b>	1,261
Over 6 months	<b>1,482</b>	260
	<b><u>452,896</u></b>	<u>595,808</u>

The trade payables are non-interest bearing and are normally settled on 90-days terms.

(8) **Share capital**

	<b>Number of ordinary shares</b>		<b>Nominal value</b>	
	<b>30 June 2016 '000</b>	31 December 2015 '000	<b>30 June 2016 HK\$'000</b>	31 December 2015 HK\$'000
Issued and fully paid: Ordinary shares of HK\$0.10 each	<b><u>1,536,084</u></b>	<u>1,024,056</u>	<b><u>153,609</u></b>	<u>102,406</u>



**(8) Share capital** (*Continued*)

The movements in issue share capital were as follows:

	<b>Number of share in issue '000</b>	<b>Issued capital HK\$'000</b>
As at 1 January 2016	<b>1,024,056</b>	<b>102,406</b>
Change as a result of the rights issue (Note a)	<u><b>512,028</b></u>	<u><b>51,203</b></u>
As at 30 June 2016	<u><b>1,536,084</b></u>	<u><b>153,609</b></u>

Note:

(a) On 29 March 2016, the Company announced a rights issue on the basis of 1 rights share for every 2 existing shares held by shareholders of the Company at a subscription price of HK\$0.90 per rights share. The rights issue was subsequently completed on 17 May 2016 and 512,028,000 shares were issued. After deducting the expenses in connection with the rights issue, the net proceeds from issuance were HK\$458,884,000.

**(9) Dividends**

	<b>Six months ended 30 June</b>	
	<b>2016</b>	<b>2015</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Dividends for ordinary equity holders of the Company:		
Final dividend paid	<u><b>66,052</b></u>	<u>65,127</u>
Interim dividend declared	<u><b>38,402</b></u>	<u>35,045</u>

**(10) Comparative amounts**

As a result of change in the designation of principal activities and segment composition, certain comparative amounts have been restated to conform with the current period's presentation and disclosures.

**INTERIM DIVIDEND**

The Directors have resolved to pay an interim dividend of HK2.50 cents (2015: HK3.40 cents) per share for the six months ended 30 June 2016 to shareholders whose names appear on the register of members of the Company as at the close of business on Thursday, 15 September 2016. The interim dividend will be paid to shareholders on Tuesday, 27 September 2016.

## REVIEW OF OPERATIONS

In the first half of the year under review, global economic development was quite lukewarm with a cloud of uncertainties that were mostly related to the referendum in Britain to decide the future of the UK's membership of the European Union, the refugee crisis in Europe, and the timing of next US interest rate hikes. China economic growth was still in the stage of deceleration, consequentially environment of apparel retail business became even more challenging than last year. During the period, the retail sentiment in Australia and New Zealand abruptly turned chilly and adversely affected the performance of Jeanswest there. Gross profit margin of the Group's retail business was thus under pressure and a double digits drop of turnover was registered.

An authoritative source in Beijing asserted that the economic development of the PRC in the coming years would be in the form of "L" shape. This assertion alerted the Management to proceed with the rights issue to raise capital to equip the Group with ample financial resources to weather through the coming cycle in eclipse. The rights issue with the support of 92.14% of our shareholders was over subscribed by 818.46% and successfully raised around HK\$460 million for the Group. The enthusiastic participation of our shareholders in the rights issue represented their confidence on the Management and supports to the business strategy.

By the above-mentioned reasons, profit attributable to ordinary equity holders of the Company was only HK\$38,473,000 (2015 : HK\$37,732,000) representing an increase of 1.96% from the corresponding period in the previous year.

Hereunder are the highlights of our performance in the first half of the year under review.

	<b>2016 1st Half</b>	2015 1st Half (Restated)	Changes
<i>(Unit: HK\$'000)</i>			
Consolidated sales	<b>1,671,215</b>	2,294,997	↓27.18%
of which:			
A. Total retail sales in PRC	<b>959,362</b>	1,476,566	↓35.03%
B. Total retail sales in Australia & New Zealand	<b>456,237</b>	543,570	↓16.07%
Sub-total	<b>1,415,599</b>	2,020,136	↓29.93%
C. Total export sales	<b>202,298</b>	249,280	↓18.85%
D. Financial Investments	<b>49,892</b>	25,007	↑99.51%
Profit attributable to ordinary equity holders of the Company	<b>38,473</b>	37,732	↑1.96%

<i>(Unit: HK cents)</i>			
Interim earnings per share (basic)	<b>3.03</b>	3.57	↓15.13%
Interim dividend per share	<b>2.50</b>	3.40	↓26.47%

<i>(Unit: HK\$'000)</i>			
Net cash and near cash in hand	<b>1,449,945</b>	1,230,310	↑17.85%

## 1. Retail Operations

Jeanswest remained the flagship brand of the Group's retail business in the Mainland market. In the period under review, PRC was still in the transitional stage of its profound economic reforms leading to an extended slipping momentum of its economic growth. An authoritative source described this new symptom as an "L" shape development. Under such situation, retail sentiment was even more depressed than last year. Most of the retailers in the Mainland consolidated their networks and thus intensified dumping in the market. The Management adhered to our prudent business strategy to cut costs resolutely and to realign the Jeanswest's network. During the period, high rental and under performed shops had been closed. Turnover was thus affected but the Management still managed to keep inventory at healthy level.

In the first half of the year, our retail operations in PRC had a turnover of HK\$959,362,000 (2015: HK\$1,476,566,000) showing a drop of 35.03%.

During the period, the macro economic conditions in Australia and New Zealand were relatively not too bad but the retail sentiment was abruptly reversed like the sudden advance of a freezing winter. Retailers had to resort to aggressive markdown to generate sales. The impairment to our gross margin was quite harmful. The network in Australia and New Zealand comprised 231 shops was also reduced by 7 to 224 shops. In the period, the weakening of Aussie against the US dollars posed another challenge to the operations. Nevertheless, inventory was maintained at healthy level.

For the six months ended 30 June 2016, the aggregate retail sales in Australia and New Zealand was HK\$456,237,000 (2015: HK\$543,570,000) showing a decrease of 16.07% but in terms of Australian dollars, it was just a decrease of 10.87%.

During the period, Jeanswest e-business development still managed to grow satisfactorily.

In the first half of the year, the total retail operations registered a turnover of HK\$1,415,599,000 (2015: HK\$2,020,136,000), reduced by 29.93% year-on-year representing 84.70% of the Group's consolidated turnover compared with 88.02% last year.

In the period under review, Quiksilver Glorious Sun's performance was eroded by persistent drowsy market sentiment in Hong Kong and the Mainland. Turnover and margin both showed a negative growth.

As at 30 June 2016, the total number of Quiksilver Glorious Sun shops was 34 (2015: 38 shops) including 19 shops (2015: 19 shops) in Hong Kong and Macao and 15 shops (2015: 19 shops) in the Mainland.

As at 30 June 2016, the total number of the Group's retail network of Jeanswest and Quiksilver Glorious Sun shops came down to 2,053 (2015: 2,447 shops).

## 2. Export Business

In the first half of the year, our main export market was still in US where economic recovery was quite stable but retail activities were not so resilient. In the period under review, our ODM orders were less than last year and performance was thus affected. Turnover amounted to HK\$202,298,000 (2015: HK\$249,280,000) representing a decrease of 18.85% and accounted for 12.10% of the Group's consolidated turnover.

### **3. Financial and Real Estates Investments**

Since 2005, the parent company of the Company has been involved with financial investments and the results in the last decade were quite satisfactory. Therefore the Management would like to duplicate such success in the Group. At the year-end of 2015, the Directors decided and announced to develop financial investments into a new business segment of the Group. At present, the Group's investment strategy was to invest mainly in Hong Kong bonds issued by corporations with good profit quality and managed by prudent professionals well acquainted with by Management. In the first half of the financial year, the Group's portfolio of high yield corporate bonds amounted to HK\$1.3 billion with tenor ranging from 3 years to 5 years.

The Group also invested in real estates in the Mainland. Our properties comprised office buildings, retail locations in first tier cities and provincial capitals, staff quarters and warehouses used basically by our operations. The book value of the said properties amounted to around HK\$500 million.

### **4. Financial Position**

In the period, in view of the firmly prevailing bank deposit rates, the Group no longer held much cash but, instead, was holding more than a billion Hong Kong dollars marketable high yield corporate bonds that were all free from any encumbrance. As at 30 June 2016, net cash and near cash of the Group amounted to HK\$1,449,945,000 (2015: HK\$1,230,310,000). All other financial data of the Group also stayed at healthy levels.

During the period, the Group had written foreign exchange future contracts, principally for the purpose of stabilizing the Group's currency risks exposed to the Australian dollar income.

### **5. Human Resources**

As at 30 June 2016, the Group employed a total of about 7,000 members of staff. The Group offered competitive remuneration packages to its employees. In addition, incentives were granted to employees with reference to the Group's overall performance and the performance of each individual.

## **PROSPECTS**

For the ensuing months of the year, we are fairly cautious. Britons had voted for Brexit already. With the collaboration among related governments, the immediate impact of Brexit was well contained; even the volatility of the financial markets increased but everything moved in orderly ways. However, it is not the end but rather the beginning of a series of uncertainties. Japanese government and the authorities in European Union are expected to enhance their quantitative easing measures but the global economic development may not be easily energized. US Federal Reserve would leave the door open for further interest hike this year but markets expect the timing would be further delayed to the last quarter at least.

China still engages in its far-reaching economic reforms leading to the slow down of its development but the official target of 6.5% growth in GDP is achievable. However retail market in the Mainland may not be able to rebound. In view of a sluggish market ahead, the Management will adhere to a conservative strategy to further consolidate our network. We will stress on profit quality and healthy inventory level rather than turnover. Brand name investment and new products development are always our main tasks that will help us to restore operating margin to healthy level.

Jeanswest in Australia and New Zealand shall do better in the second half. Export business is expected to have the same level of last year performance.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Wednesday, 14 September 2016 to Thursday, 15 September 2016, both days inclusive, during which period no transfers of shares shall be effected. In order to qualify for the interim dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 13 September 2016.

## **CORPORATE GOVERNANCE**

Throughout the six months ended 30 June 2016, the Company has complied with the code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Listing Rules, save for the deviation from code provision A.6.7 of the CG Code.

Under code provision A.6.7 of the CG Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of the shareholders. Due to other pre-arranged commitments, Mr. Lau Hon Chuen, Ambrose, GBS, JP, Dr. Chung Shui Ming, Timpson, GBS, JP and Mr. Wong Man Kong, Peter, BBS, JP, independent non-executive Directors, were not present at the Company's annual general meeting for the year 2016.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the six months ended 30 June 2016.

By Order of the Board  
**Dr. Charles Yeung, GBS, JP**  
*Chairman*

Hong Kong, 25 August 2016

As at the date of this announcement, the directors of the Company are as follows:

### *Executive Directors:*

Dr. Charles Yeung, GBS, JP, Mr. Yeung Chun Fan, Mr. Pau Sze Kee, Jackson, Mr. Hui Chung Shing, Herman, SBS, MH, JP, Ms. Cheung Wai Yee and Mr. Chan Wing Kan, Archie

### *Independent Non-Executive Directors:*

Mr. Lau Hon Chuen, Ambrose, GBS, JP, Dr. Chung Shui Ming, Timpson, GBS, JP, Mr. Wong Man Kong, Peter, BBS, JP and Dr. Lam Lee G.