Jin Bao Bao Holdings Limited
金寶寶控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 01239)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

The board (the "**Board**") of directors (the "**Director(s)**") of Jin Bao Bao Holdings Limited (the "**Company**") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2016, together with the comparative annual results of the Group for the year ended 31 December 2015:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2016

	Notes	**2016** *RMB'000*	2015 *RMB'000* (Re-presented)
REVENUE	*7*	**375,737**	189,048
Cost of sales		**(264,710)**	(148,607)
Gross profit		**111,027**	40,441
Other income and gains	*7*	**3,177**	950
Selling and distribution expenses		**(16,579)**	(12,414)
Administrative expenses		**(19,591)**	(12,921)
Other expenses		**(5,147)**	(1,527)
Finance costs	*8*	**(19,900)**	(12,240)
PROFIT BEFORE TAX	*9*	**52,987**	2,289
Income tax expense	*10*	**(37,232)**	(4,852)
PROFIT/(LOSS) FOR THE YEAR AND ATTRIBUTABLE TO OWNERS OF THE PARENT		**15,755**	(2,563)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted			
— For profit/(loss) for the year	*12*	**RMB0.16 cents**	RMB(0.03) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2016

	2016 *RMB'000*	2015 *RMB'000*
PROFIT/(LOSS) FOR THE YEAR	**15,755**	(2,563)
OTHER COMPREHENSIVE (LOSS)/INCOME		
Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(2,926)**	111
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR AND ATTRIBUTABLE TO OWNERS OF THE PARENT	**12,829**	(2,452)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2016

	Notes	2016 RMB'000	2015 RMB'000 (Re-presented)
NON-CURRENT ASSETS			
Property, plant and equipment	13	**65,585**	51,567
Investment property		**40,308**	–
Prepaid land lease payments		**2,528**	2,599
Goodwill		**206,565**	–
Deferred tax assets		**26**	340
Total non-current assets		**315,012**	54,506
CURRENT ASSETS			
Inventories		**14,294**	7,934
Prepaid land lease payments		**71**	71
Trade and notes receivables	14	**142,511**	99,881
Prepayments, deposits and other receivables		**5,644**	175,064
Cash and bank balances		**162,533**	65,667
Total current assets		**325,053**	348,617
CURRENT LIABILITIES			
Trade payables	15	**109,463**	18,727
Other payables and accruals		**45,714**	4,370
Interest-bearing bank and other borrowings		**233,891**	500
Due to the ultimate holding company		**–**	1,916
Tax payable		**3,492**	898
Total current liabilities		**392,560**	26,411
NET CURRENT (LIABILITIES)/ASSETS		**(67,507)**	322,206
TOTAL ASSETS LESS CURRENT LIABILITIES		**247,505**	376,712
NON-CURRENT LIABILITIES			
Other payables		**–**	12,566
Interest-bearing bank and other borrowings		**–**	167,546
Deferred tax liabilities		**2,185**	856
Total non-current liabilities		**2,185**	180,968
Net assets		**245,320**	195,744
EQUITY			
Equity attributable to owners of the parent			
Share capital	16	**8,126**	7,958
Reserves		**237,194**	187,786
Total equity		**245,320**	195,744

NOTES:
31 December 2016

1. CORPORATE AND GROUP INFORMATION

Jin Bao Bao Holdings Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The registered office of the Company is located at P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company is located at Unit 2118, 21/F, China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road Central, Hong Kong.

During the year, the Group was involved in the following principal activities:

- design, manufacture and sale of packaging products and structural components
- provision for corporate secretarial and consultancy services
- property investment

With effect from 19 January 2016, Trend Rich Enterprises Limited, a company incorporated in the British Virgin Islands, ceased to be the holding company and ultimate holding company of the Company.

2. BASIS OF PRESENTATION

In the preparation of these financial statements for the year ended 31 December 2016, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the Group has interest-bearing bank and other borrowings of RMB233,891,000 and capital commitment of RMB3,070,000 as at 31 December 2016. Based on the cash flow projections prepared by the management of the Company with reference to the current business and financing plans of the Group, the directors of the Company consider the Group will be able to finance its future working capital and fulfill its financial obligations as and when they fall due in the foreseeable future.

Accordingly, the consolidated financial statements have been prepared on the going concern basis.

3. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment property which has been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 December 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;
(b) rights arising from other contractual arrangements; and
(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary and (ii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements:

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	*Investment Entities: Applying the Consolidation Exception*
Amendments to HKFRS 11	*Accounting for Acquisitions of Interests in Joint Operations*
HKFRS 14	*Regulatory Deferral Accounts*
Amendments to HKAS 1	*Disclosure Initiative*
Amendments to HKAS 16 and HKAS 38	*Clarification of Acceptable Methods of Depreciation and Amortisation*
Amendments to HKAS 16 and HKAS 41	*Agriculture: Bearer Plants*
Amendments to HKAS 27 (2011)	*Equity Method in Separate Financial Statements*
Annual Improvements 2012–2014 Cycle	Amendments to a number of HKFRSs

Other than as explained below, the adoption of the above new and revised standards has had no significant financial effect on these financial statements.

(a) Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:

(i) the materiality requirements in HKAS 1;
(ii) that specific line items in the statement of profit or loss and the statement of financial position may be disaggregated;
(iii) that entities have flexibility as to the order in which they present the notes to financial statements; and
(iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss. The amendments have had no significant impact on the Group's financial statements.

(b) Amendments to HKAS 16 and HKAS 38 clarify the principle in HKAS 16 and HKAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are applied prospectively. The amendments have had no impact on the financial position or performance of the Group as the Group has not used a revenue-based method for the calculation of depreciation of its non-current assets.

(c) The HKAS 27 (2011) Amendments allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying HKFRSs and electing to change to the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements are required to apply the change retrospectively. The amendments are not applicable to the Group's consolidated financial statements.

(d) *Annual Improvements to HKFRSs 2012–2014 Cycle* issued in October 2014 sets out amendments to a number of HKFRSs. Details of the amendments are as follows:

- HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*: Clarifies that changes to a plan of sale or a plan of distribution to owners should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. Accordingly, there is no change in the application of the requirements in HKFRS 5. The amendments also clarify that changing the disposal method does not change the date of classification of the non-current assets or disposal group held for sale. The amendments are applied prospectively. The amendments have had no impact on the Group as the Group did not have any change in the plan of sale or disposal method in respect of the disposal group held for sale during the year.

- HKFRS 7 *Financial Instruments*: *Disclosures*: Clarifies that the disclosures in respect of the offsetting of financial assets and financial liabilities in HKFRS 7 are not required in the condensed interim financial statements, except where the disclosures provide a significant update to the information reported in the most recent annual report, in which case the disclosures should be included in the condensed interim financial statements. The amendments are not applicable to the Group's annual consolidated financial statements.

- HKFRS 7 *Financial Instruments*: *Disclosures*: Clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in HKFRS 7 in order to assess whether the HKFRS 7 disclosures are required. The assessment of which servicing contracts constitute continuing involvement must be done retrospectively. However, the required disclosures need not be provided for any period beginning before the annual period in which the entity first applies the amendments. The amendments have had no impact on the Group as the Group does not have any servicing contracts.

- HKAS 19 *Employee Benefits*: Clarifies that market depth of high quality corporate bonds used for discounting the post-employment benefit obligation for defined benefit plans is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. The amendment has had no impact on the Group as the Group does not have any defined benefit plans.

- HKAS 34 *Interim Financial Reporting*: Clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report. The amendment also specifies that the information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. The amendment is not applicable to the Group's annual consolidated financial statements.

5. ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements:

Amendments to HKFRS 2	*Classification and Measurement of Share-based Payment Transactions* [2]
Amendments to HKFRS 4	*Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts* [2]
HKFRS 9	*Financial Instruments* [2]
Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [4]
HKFRS 15	*Revenue from Contracts with Customers* [2]
Amendments to HKFRS 15	*Clarifications to HKFRS 15 Revenue from Contracts with Customers* [2]
HKFRS 16	*Leases* [3]
Amendments to HKAS 7	*Disclosure Initiative* [1]
Amendments to HKAS 12	*Recognition of Deferred Tax Assets for Unrealised Losses* [1]

1 Effective for annual periods beginning on or after 1 January 2017
2 Effective for annual periods beginning on or after 1 January 2018
3 Effective for annual periods beginning on or after 1 January 2019
4 No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

The HKICPA issued amendments to HKFRS 2 in August 2016 that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet the employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The Group expects to adopt the amendments from 1 January 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 January 2018. The Group is currently assessing the impact of the standard.

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for application now.

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implement issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group expects to adopt HKFRS 15 on 1 January 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases — Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two recognition exemptions for lessees — leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. The Group expects to adopt HKFRS 16 on 1 January 2019 and is currently assessing the impact of HKFRS 16 upon adoption.

Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Group expects to adopt the amendments from 1 January 2017.

Amendments to HKAS 12 were issued with the purpose of addressing the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, although they also have a broader application for other situations. The amendments clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group expects to adopt the amendments from 1 January 2017.

6. OPERATING SEGMENT INFORMATION

For management purpose, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

(a) the sales of packaging products and structural components segment;
(b) the corporate secretarial and consultancy services segment; and
(c) the property investment segment.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that interest income, finance costs as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, deferred tax liabilities, tax payable and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Year ended 31 December 2016	**Sales of packaging products and structural components** *RMB'000*	**Corporate secretarial and consultancy services** *RMB'000*	**Property investment** *RMB'000*	**Total** *RMB'000*
Segment revenue:				
Revenue from external customers	**230,288**	**145,449**	**–**	**375,737**
Segment results	**12,737**	**65,033**	**1,238**	**79,008**
Reconciliation:				
Interest income				**429**
Finance costs				**(19,900)**
Corporate and other unallocated expenses				**(6,550)**
Profit before tax				**52,987**
Other segment information:				
Depreciation	**8,890**	**–**	**–**	**8,890**
Write-back of inventories to net realisable value, net	**(531)**	**–**	**–**	**(531)**
Fair value gains on investment property	**–**	**–**	**1,266**	**1,266**
Amortisation of prepaid land lease payments	**71**	**–**	**–**	**71**
Loss on disposal of items of property, plant and equipment	**4,492**	**–**	**–**	**4,492**
Capital expenditure*	**27,574**	**–**	**36,737**	**64,311**

* *Capital expenditure consists of additions to property, plant and equipment and investment property including assets from acquisition of subsidiaries.*

31 December 2016	Sales of packaging products and structural components *RMB'000*	Corporate secretarial and consultancy services *RMB'000*	Property investment *RMB'000*	Total *RMB'000*
Segment assets	**259,538**	**337,462**	**40,320**	**637,320**
Reconciliation:				
Deferred tax assets				**26**
Corporate and other unallocated assets				**2,719**
Total assets				**640,065**
Segment liabilities	**37,721**	**80,798**	**–**	**118,519**
Reconciliation:				
Interest-bearing bank and other borrowings				**233,891**
Tax payable				**3,492**
Deferred tax liabilities				**2,185**
Corporate and other unallocated liabilities				**36,658**
Total liabilities				**394,745**

No operating segment is presented during the year ended 31 December 2015 as the Group basically operated in one single operating segment, i.e., the sales of packaging products and structural components segment.

Geographical information

(a) *Revenue from external customers*

	2016 *RMB'000*	2015 *RMB'000*
Hong Kong	**5,425**	–
Mainland China	**230,288**	189,048
South Korea	**140,024**	–
	375,737	189,048

The revenue information is based on the location of the customers.

(b) *Non-current assets*

	2016 *RMB'000*	2015 *RMB'000*
Hong Kong	**246,873**	3
Mainland China	**68,113**	54,163
	314,986	54,166

The non-current asset information is based on the location of the assets and excludes deferred tax assets.

Information about major customers

Revenue of RMB175,774,000 (2015: RMB139,422,000) was derived from sales of packaging products and structural components segment to three customers, while the revenue of RMB140,024,000 was derived from a new segment of corporate secretarial and consultancy services to a single customer during the year. A summary of revenue earned from each of these major customers is set out below:

	2016	2015
	RMB'000	*RMB'000*
Customer A	**140,024**	N/A
Customer B	**66,234**	49,170
Customer C	**64,542**	54,141
Customer D	**44,998**	36,111
	315,798	139,422

7. REVENUE AND OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts; and the value of consultancy services rendered, received and receivable during the year.

An analysis of revenue and other income and gains is as follows:

	2016	2015
	RMB'000	*RMB'000*
Revenue		
Sales of packaging products and structural components	**230,288**	189,048
Corporate secretarial and consultancy services	**145,449**	–
	375,737	189,048
Other income and gains		
Bank interest income	**429**	482
Foreign exchange differences, net	**748**	–
Fair value gains on investment property	**1,266**	–
Government grant	**527**	–
Others	**207**	468
	3,177	950

8. FINANCE COSTS

An analysis of finance costs is as follows:

	2016	2015
	RMB'000	*RMB'000*
Interest on bank loans	**32**	115
Interest on other loans	**19,649**	12,069
Finance costs arising on early redemption of notes receivables	**219**	56
	19,900	12,240

9. PROFIT BEFORE TAX

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

	2016 RMB'000	2015 RMB'000
Cost of inventories sold	**124,714**	92,542
Cost of services provided	**80,319**	–
Depreciation	**8,890**	8,838
Minimum lease payments under operating leases	**1,128**	1,945
Amortisation of prepaid land lease payments#	**71**	71
Employee benefit expense (excluding directors' and chief executive's remuneration):		
— Wages and salaries	**36,986**	28,280
— Pension scheme contribution	**3,267**	4,856
	40,253	33,136
Auditors' remuneration	**980**	388
Foreign exchange differences, net	**(748)**	760
(Write-back)/write-down of inventories to net realisable value, net##	**(531)**	47
Loss on disposal of items of property, plant and equipment*	**4,492**	638

\# Item is included in "Administrative expenses" in the consolidated statement of profit or loss.

\## Item is included in "Cost of sales" in the consolidated statement of profit or loss.

* Item is included in "Other expenses" in the consolidated statement of profit or loss.

10. INCOME TAX

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 years ended 31 December 2016 and 2015. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries (or jurisdictions) in which the Group operates.

The People's Republic of China ("**PRC**") Enterprise Income Tax ("**EIT**") in respect of operations in the PRC has been calculated at the applicable tax rate of 25% (2015: 25%) on the estimated assessable profits for the years ended 31 December 2016 and 2015, or otherwise, 15% (2015: 15%) on the profits of the Group's entities operated in the PRC that were assessed as Encourage Industries in Western Regions Enterprise ("西部地區鼓勵類企業").

Withholding tax represented withholding tax paid or payable in respect of the Group's income from the provision of consultancy services to a customer who located outside Hong Kong.

	2016 RMB'000	2015 RMB'000
Current — Hong Kong		
Charge for the year	**971**	–
Current — PRC		
Charge for the year	**3,199**	4,199
Underprovision in prior years	**204**	26
	3,403	4,225
Withholding tax	**31,215**	–
Deferred	**1,643**	627
Total tax charge for the year	**37,232**	4,852

11. DIVIDENDS

The directors of the Company did not recommend the payment of a final dividend for the year ended 31 December 2016 (2015: Nil).

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings/(loss) per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent of RMB15,755,000 (2015: loss of RMB2,563,000) and the weighted average number of 10,123,497,268 ordinary shares (2015: 10,000,000,000 ordinary shares) in issue during the year.

The diluted earnings/(loss) per share amounts is equal to the basic earnings/(loss) per share as there were no dilutive potential ordinary shares in issue during the years ended 31 December 2016 and 2015.

13. PROPERTY, PLANT AND EQUIPMENT

For the year ended 31 December 2016, the Group had additions of property, plant and equipment at a total cost of RMB27,574,000 (2015: RMB10,317,000).

14. TRADE AND NOTES RECEIVABLES

	2016	2015
	RMB'000	*RMB'000*
Trade receivables:		
— from sales of packaging products and structural components	**96,122**	68,067
— from rendering of corporate secretarial and consultancy services	**231**	—
Notes receivables	**46,158**	31,814
	142,511	99,881

The Group's trading terms with its customers are mainly on credit, or otherwise sales on cash terms are required. The credit period is generally one month, extending up to 6 months for major customers. Notes receivables are received from customers under the ordinary course of business. All of them are bank acceptance bills with maturity period within six months.

An aged analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

	2016	2015
	RMB'000	*RMB'000*
Within 3 months	**91,940**	55,964
3 to 6 months	**3,349**	11,834
6 months to 1 year	**918**	269
Over 1 year	**146**	–
	96,353	68,067

15. TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2016	2015
	RMB'000	*RMB'000*
Within 3 months	**103,146**	17,171
3 to 6 months	**3,153**	407
6 months to 1 year	**2,863**	125
Over 1 year	**301**	1,024
	109,463	18,727

The trade payables are non-interest-bearing and are normally settled on 30 days to 90 days.

16. SHARE CAPITAL

	Number of share	**Share capital**
	'000	*HK$'000*
Authorised		
Ordinary shares of HK$0.001 each at 31 December 2015, 1 January 2016 and 31 December 2016	200,000,000	200,000

	Number of shares in issue	**Issued share capital**	**Equivalent to RMB**
	'000	*HK$'000*	*RMB'000*
Issued and fully paid			
At 1 January 2015	200,000	2,000	1,632
Share subdivision *(note a)*	1,800,000	—	—
Bonus issue *(note b)*	8,000,000	8,000	6,326
At 31 December 2015 and 1 January 2016	10,000,000	10,000	7,958
Issue of ordinary share in relation to acquisition of a subsidiary *(note c)*	200,000	200	168
At 31 December 2016	10,200,000	10,200	8,126

Notes:

a. As disclosed in the circular of the Company dated 18 May 2015, a share subdivision on the basis that each issued and unissued share with the par value of HK$0.01 each in the share capital of the Company had been subdivided into 10 subdivided shares with the par value of HK$0.001 each with effective from 4 June 2015. Prior to the effective date of share subdivision, there were 200,000,000 issued shares, after the share subdivision, the number of issued shares changed to 2,000,000,000.

b. On 3 June 2015, the shareholders of the Company approved by way of poll the bonus issue on the basis of 4 bonus shares for every 1 subdivided share held on the record date of 10 June 2015. 8,000,000,000 bonus shares with the par value of HK$0.001 each were allotted and issued on 17 June 2015. Details of the bonus issue were set out in the circular of the Company dated 18 May 2015.

c. On 20 May 2016, the Company has completed the acquisition of the entire equity interest of Gorgeous Assets Limited with aggregate consideration of HK$43,600,000 was taken place. Upon such completion, 200,000,000 ordinary shares of the Company with par value of HK$0.001 each were issued as the full payment of the consideration of the acquisition. The fair value of the 200,000,000 ordinary shares of the Company, determined using the closing market price of HK$0.218 per share at the date of completion on 20 May 2016, amounted to HK$43,600,000. Details of which were disclosed in the announcement of the Company dated 13 May 2016 and 16 May 2016.

17. EVENTS AFTER THE REPORTING PERIOD

Ms. Ngai Mei was appointed as an executive director of the Company with effect from 28 February 2017.

18. COMPARATIVE AMOUNTS

Certain comparative amounts have been represented to conform to the presentation of current year.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Company is an investment holding company, and through its subsidiaries, is principally engaged in the business of (i) design, manufacture and sale of packaging products and structural components in the PRC; (ii) provision of corporate secretarial and consultancy services; and (iii) property investment.

Packaging Products and Structural Components Business

Revenue

Most of the Group's customers under the packaging products and structural components business are leading consumer electrical appliance manufacturers in the PRC.

An analysis of revenue by products is as follows:

	Year ended 31 December			
	2016		2015	
	RMB'000	*%*	*RMB'000*	*%*
Packaging products				
Televisions	**74,060**	**32.2**	60,730	32.1
Air conditioners	**44,051**	**19.1**	29,983	15.9
Washing machines	**35,921**	**15.6**	28,707	15.2
Refrigerators	**30,659**	**13.3**	31,086	16.4
Water heaters	**11,763**	**5.1**	10,613	5.6
Information technology products	**15,683**	**6.8**	18,824	10.0
Others	**387**	**0.2**	277	0.1
Structural components				
For air conditioners	**17,764**	**7.7**	8,828	4.7
Total	**230,288**	**100.0**	189,048	100.0

The revenue by product type remained relatively stable. During the current year, the revenue derived from the Group's products for televisions and air conditioners (including packaging products and structural components) made the largest and second largest contributions to the segment revenue, amounting approximately RMB135,875,000 or 59.0% of total segment revenue (2015: approximately RMB99,541,000 or 52.7% of total revenue and segment revenue).

Cost of sales

The following table sets out a breakdown of the cost of sales for the periods stated below:

	Year ended 31 December			
	2016		2015	
	RMB'000	*%*	*RMB'000*	*%*
Raw materials	**124,183**	**67.3**	92,517	62.3
Direct labour costs	**21,540**	**11.7**	17,367	11.7
Manufacturing overhead	**38,669**	**21.0**	38,723	26.0
Staff costs	**2,675**	**1.5**	3,874	2.6
Depreciation	**5,642**	**3.1**	6,181	4.2
Utilities	**21,623**	**11.7**	20,102	13.5
Processing charges	**7,817**	**4.2**	6,780	4.5
Rental expenses	**573**	**0.3**	1,453	1.0
Others	**339**	**0.2**	333	0.2
Total	**184,392**	**100.0**	148,607	100.0

For the year ended 31 December 2016, the cost of sales amounted to approximately RMB184,392,000, increased by approximately RMB35,785,000 or 24.1% when compared to that of approximately RMB148,607,000 for the year ended 31 December 2015.

The operating environment for manufacturing industries remained tough. Even the revenue recorded an increase in the current year, the Group is still facing a challenge of increasing raw material costs, manufacturing overheads and direct labour costs, as a result of the increase in commodities prices, the increase in average level of wages and general inflation in the PRC. Such increase was far more than the increment in revenue, and thus the gross profit margin decreased from approximately 21.4% for the year ended 31 December 2015 to approximately 19.9% for the year ended 31 December 2016.

Supply of raw materials

The Group purchases raw materials and components necessary for the manufacturing of the Group's packaging products and structural components from independent third parties. The raw materials mainly include expanded polystyrene ("**EPS**") and expanded polyolefin ("**EPO**"). The Group retains a list of approved suppliers of raw materials and components and only makes purchases from the list. The Group has established long-term commercial relationships with its major suppliers for a stable supply and timely delivery of high quality raw materials and components. The Group had not experienced any major difficulties in procuring raw materials and components necessary for the manufacture of packaging products for the year ended 31 December 2016. The Group continues to diversify its suppliers of raw materials and components to avoid over reliance on a single supplier for any type of raw materials and components.

Production capacity

The Group's three factories are capable of a maximum annual manufacturing capacity, in aggregate, of 19,000 tonnes of packaging products and structural components. The current production capacity enables the Group to promptly respond to market demand and strengthen its market position.

Provision of Corporate Secretarial and Consultancy Services Business

On 10 November 2016, the Company (as the purchaser) entered into a sale and purchase agreement (the "**SPA**") with Shining Praise Limited (the "**Shining Praise**", as the vendor), pursuant to which the Company has conditionally agreed to acquire the entire issued share capital of Treasure Found Investments Limited ("**Treasure Found**"), and all indebtedness, obligations and liabilities due, owing or incurred by Treasure Found to Shining Praise under the SPA at the consideration of HK$250,000,000 (the "**Consideration**") satisfied by cash by the Company (the "**2nd Acquisition**"). Treasure Found, through its wholly-owned subsidiaries, namely PV Holdings Limited and PV Advisory Services Limited, is principally engaged in the provision of corporate secretarial and consultancy services business.

The completion of the 2nd Acquisition took place on 14 November 2016 and Treasure Found and its subsidiaries (collectively referred to as "**Treasure Found Group**") have become subsidiaries of the Company since then. Since the completion of the 2nd Acquisition on 14 November 2016, Treasure Found Group contributed approximately RMB145,449,000 to the Group's revenue and profit of approximately RMB32,844,000 to the Group's consolidated profit, with the gross profit margin of approximately 44.8% for the year ended 31 December 2016.

Details of the 2nd Acquisition have been disclosed in the announcements of the Company dated 10 November 2016 and 14 November 2016 (the "**Announcements**").

As disclosed in the Announcements, Shining Praise has irrevocably and unconditionally guaranteed to the Company that the audited consolidated profit before tax of Treasure Found Group for the year ending 31 December 2017 shall not be less than HK$30,000,000 (the "**Guaranteed Profit**") (the "**Profit Guarantee**"). If the actual audited consolidated profit before tax of Treasure Found Group for the year ending 31 December 2017 shall be less than the relevant Guaranteed Profit, the Consideration shall be reduced accordingly based on the relevant formula. Please refer to the Announcements for the details of the Profit Guarantee and adjustment mechanism to the Consideration. Further announcement(s) will be made by the Company in relation to the Profit Guarantee for the year ending 31 December 2017 as and when appropriate.

Property Investment Business

On 13 May 2016, the Company (as the purchaser) and Winning Global Holdings Limited ("**Winning Global**", as the vendor) entered into the sale and purchase agreement (the "**S&P Agreement**") in relation to the acquisition of the entire issued share capital of Gorgeous Assets Limited ("**Gorgeous Assets**"), and the total amount of shareholders' loan owing by Gorgeous Assets to Winning Global under the S&P Agreement at the consideration of HK$60,000,000, which was satisfied by the Company by allotting and issuing of a total of 200,000,000 Shares (the "**Consideration Share(s)**") at the issue price of HK$0.3 per Consideration Share to Winning Global (or its nominees) (the "**1st Acquisition**"). The sole asset of Gorgeous Assets is a residential property situated at One SilverSea, No. 18 Hoi Fai Road, Kowloon, Hong Kong with a gross floor area of approximately 1,568 square feet (the "**Property**").

On 20 May 2016, the 1st Acquisition was completed and a total of 200,000,000 Consideration Shares were allotted and issued. After the completion of the 1st Acquisition, the Property was served as investment property and still at vacant possession and no revenue was generated from this business segment for the year ended 31 December 2016.

Details of the 1st Acquisition have been disclosed in the announcements of the Company dated 13 May 2016 and 16 May 2016.

FUTURE OUTLOOK

Packaging Products and Structural Components Business

During the year, the Group has been experiencing challenging operating conditions because of slowing growth in the PRC, even though the turnover of the packaging products and structural components business of the Group has been improved for the year ended 31 December 2016 as compared to prior year. The operating environment for manufacturing industries in the PRC remains tough. The increase in consumers' awareness and demands for more environmental-friendly packaging products gives rise to higher raw materials costs. Meanwhile, although the Group applied multiple plans and improvements for a more effective production process, worker shortage in industrial districts still caused the labour cost as a percentage of revenue of the Group to increase three years in a row. Given the fact that these costs associated with the manufacturing of the packaging products and structural components continue to increase and are expected to persist, the profit margin from this segment has therefore been adversely affected and may continue to decline.

In view of the unsatisfactory business and financial performance of packaging products and structural components business for the abovementioned reasons, the Company therefore from time to time seeks attractive investment opportunities to broaden and diversify its income source and to accelerate the Group's business and earnings growth and long-term development.

Provision of Corporate Secretarial and Consultancy Services Business

Despite an uncertain start of 2016, the global economy has been recovering steadily leading by the economic rebound of the United States. Under the PRC's "One Belt One Road" strategy, we expect more cross-border business activities to arise. The Board believes that it will booster the demands for our provision of corporate secretarial and consultancy services in Hong Kong, which is a bridge connecting the PRC and the world with well-established stock exchange and financial infrastructure. As the Group has the required resources and expertise in this aspect, the Board is confident that its provision of corporate secretarial and consultancy services business can take advantage of this situation and receive a stable grow in the coming years. The Group will also consider extending its scope of services to the financial and/or securities market by acquiring the money lenders' license and/or the licenses to conduct the regulated activities under the Securities and Futures Ordinance in order to fully harvest the favorable business opportunities in these areas expected in the coming year.

Property Investment Business

In view of the recent high record sale for land bidding/auction in Hong Kong, we are optimistic on the price trend of property in long term. The Company will continue to look for opportunities to optimise the property portfolio of the Group.

Having witnessed the immediate impact contributed by the new businesses acquired by the Company in 2016 and the challenging operating environment for manufacturing industries in the PRC, the Company is looking for any opportunities to reallocate its recourses from the packaging products and structural components business to the business of provision of corporate secretarial and consultancy services and also other suitable business opportunities in the future to accelerate the business growth of the Group.

In order to capture any investment opportunities in a timely manner and/or optimizing the financial position of the Group, the Company will continue to explore fund raising opportunities that may arise in the market or may realise the existing investment to raise sufficient funds to achieve such purpose.

FINANCIAL REVIEW

Financial results

For the year ended 31 December 2016, the Group recorded the revenue of approximately RMB375,737,000, representing a increase of 98.8% when compared to that of approximately RMB189,048,000 for the year ended 31 December 2015.

Profit attributable to owners of the Company was approximately RMB15,755,000 for the year ended 31 December 2016 when compared to loss of approximately RMB2,563,000 for the year ended 31 December 2015.

Basic and diluted earnings per share were RMB0.16 cents respectively (2015: basic and diluted loss per share of RMB0.03 cents respectively).

Liquidity and financial resources

As at 31 December 2016, bank balances and cash of the Group amounted to approximately RMB162,533,000 of which approximately 81.8% was denominated in Hong Kong dollars ("**HK$**"), approximately 0.1% was denominated in US Dollars and the rest was denominated in RMB (2015: approximately RMB65,667,000 of which approximately 2.5% was denominated in HK$ and the rest was denominated in RMB).

As at 31 December 2016, the Group's bank borrowing of approximately RMB1,000,000 had variable interest rates and was repayable within one year, which was secured by the Group's buildings and prepaid land lease payments (2015: approximately RMB500,000). As at 31 December 2016 and 2015, all of the bank borrowings were denominated in RMB.

As at 31 December 2016, the Group's other borrowings of (i) approximately RMB179,147,000 (2015: approximately RMB167,546,000) had fixed interest rate at 10% per annum and was repayable within one year, which was secured by the entire issued share capital of a wholly-owned subsidiary of the Company; and (ii) approximately RMB53,744,000 (31 December 2015: Nil) had fixed interest rate at 24% per annum, were repayable within one year and were unsecured. The aforesaid borrowings were denominated in HK$.

Capital Structure

On 20 May 2016, the Company allotted and issued 200,000,000 shares with par value of HK$0.001 each in relation to the 1st Acquisition pursuant to the general mandate granted at the annual general meeting of the Company dated 28 May 2015. As at 31 December 2016 and the date of this announcement, a total of 10,200,000,000 Shares with par value of HK$0.001 each are in issue. Details are set out in the section headed "Property Investment Business" under "Business Review" of this announcement.

Acquisitions, disposals and significant investment

Save as disclosed in this announcement, for the year ended 31 December 2016, there was no material acquisition, disposal or significant investment by the Group.

Capital expenditure

Capital expenditure of the Group mainly includes the purchase of property, plant and equipment and investment property. For the year ended 31 December 2016, capital expenditure of the Group amounted to approximately RMB64,311,000 (2015: approximately RMB10,317,000).

Pledge of assets

The Group had pledged (i) assets of buildings and prepaid land lease payments to the bank in the amount of approximately RMB3,388,000 as at 31 December 2016 (2015: approximately RMB3,550,000); and (ii) the entire issued share capital of a wholly-owned subsidiary of the Company to the lender as at 31 December 2016 and 2015.

Segment information

Details of segment information of the Group for the year ended 31 December 2016 are set out in Note 6 to the audited consolidated financial statements.

Human resources and training

As at 31 December 2016, the Group has 618 employees (2015: 604 employees). Total employee benefit expenses amounted to approximately RMB40,253,000 (2015: approximately RMB33,136,000). The Group has a management team (including product design and development team) with extensive industry experience. The Group has adopted an employee-focused management concept to involve the Group's staff in the management and development of the Group. The Group has implemented a strict selection process for hiring its employees and a number of initiatives to enhance the productivity of its employees. The Group conducts regular performance reviews for its employees. The remuneration, promotion and salary increments of the employees are assessed according to their performance, professional and working experience, and prevailing market practices. In addition, the Group has implemented training programs for employees in various positions.

Gearing ratio

As at 31 December 2016, the gearing ratio was 0.95 (2015: 0.86), which was measured on the basis of the Group's total borrowings divided by total equity.

Foreign exchange risk

Business transactions of the Group are mainly denominated in HK$ and RMB. Accordingly, the Directors consider that the Group is not exposed to significant foreign currency risk.

The Group currently does not have a foreign currency hedging policy. However, the Group's management monitors foreign exchange exposure. In the view of the fluctuation of RMB in recent years, the Group will consider hedging significant foreign currency exposure should the need arise.

Capital commitment

As at 31 December 2016, the Group had capital commitment of approximately RMB3,070,000 (2015: approximately RMB9,022,000).

Contingent liabilities

As at 31 December 2016, the Group had no material contingent liabilities (2015: Nil).

DIVIDENDS

The Directors do not recommend the payment of any dividends for the year ended 31 December 2016 (2015: Nil).

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

For the year ended 31 December 2016, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any listed securities of the Company.

USE OF PROCEEDS FROM THE PLACING AND PUBLIC OFFER

The Company was successfully listed on the Main Board of the Stock Exchange on 18 November 2011 by way of placing and public offer (the "**Placing and Public Offer**").

The proceeds received by the Company from the Placing and Public Offer, after deducting the relevant costs of the Placing and Public Offer, amounted to approximately HK$44,500,000 in total. As at 31 December 2016, the Group had used net proceeds of approximately HK$31,993,000, of which (i) approximately HK$2,700,000 had been used for the repayment of bank loan; (ii) approximately HK$2,900,000 had been used as general working capital; (iii) approximately HK$16,493,000 was used for acquiring, remodifying and upgrading of plant and machines; and (iv) approximately HK$9,900,000 was used for acquiring and remodifying of mould. The remaining net proceeds to be used for acquiring, remodifying and upgrading of plant and machines amounted to approximately HK$12,507,000 as at 31 December 2016.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted terms as contained in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") (the "**Model Code**") as the Company's code of conduct regarding securities transactions and dealings by the Directors. Upon specific enquiries of all existing Directors, each of them confirmed that they have complied with the Model Code during the year ended 31 December 2016.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

For the year ended 31 December 2016, the Company has adopted the code provisions (the "**Code Provision(s)**") set out in the Corporate Governance Code (the "**CG Code**") contained in the Appendix 14 to the Listing Rules.

The Board periodically reviews the corporate governance practices of the Company to ensure its continuous compliance with the CG Code. The Company was in compliance with the applicable Code Provisions for the year ended 31 December 2016, except for Code Provision A.2.1, which states that the roles of chairman and chief executive should be separated and should not be performed by the same individual. Mr. Liu Liangjian ("**Mr. Liu**"), the former chairman and the chief executive officer of the Company was responsible for the overall business strategy and development and management of the Group. The Board meets regularly to consider major matters affecting the operations of the Group. The Board considers that this structure does not impair the balance of power and authority between the Board and the management of the Company. The roles of the respective executive Directors and senior management, who are in charge of different functions, complement the role of the chairman and the chief executive. The Board believes that this structure is conducive to strong and consistent leadership which enables the Group to operate efficiently.

The Company understands the importance to comply with the Code Provision A.2.1 and continue to consider the feasibility of appointing a separate chief executive. On 22 January 2016, Mr. Liu has resigned as the chairman, the executive director and the chief executive officer of the Company and Ms. Xie Yan had been appointed as the chairperson and the executive director of the Company. Since then, the Company is in compliance with the Code Provision A.2.1. On 27 September 2016, Mr. Ling Zheng replaced Ms. Xie Yan as the chairman of the Company.

AUDIT COMMITTEE

As at the date of this announcement, the audit committee of the Company (the "**Audit Committee**") consists of three independent non-executive Directors, namely, Mr. Lee Chi Hwa, Joshua (an independent non-executive director with the appropriate professional qualifications as required under rule 3.10(2) of the Listing Rules who serves as chairman of the Audit Committee), Mr. Lam Chi Wai and Mr. Chan Chun Kau.

The Audit Committee has reviewed the annual results of the Group for the year ended 31 December 2016 as well as the Company's risk management and internal control review report. Besides, the Audit Committee reviewed the Company's corporate governance policies and practices, training and continuous professional development of the Directors and senior management, the Company's policies and practices on compliance with legal and regulatory requirements, the compliance of the Listing Rules and the Company's compliance with the CG Code.

By Order of the Board
Jin Bao Bao Holdings Limited
Ling Zheng
Chairman and Executive Director

Hong Kong, 23 March 2017

As at the date of this announcement, the Board comprises Mr. Ling Zheng, Mr. He Xiaoming, Ms. Ngai Mei and Ms. Xie Yan as executive Directors; Mr. Lee Chi Hwa, Joshua, Mr. Lam Chi Wai and Mr. Chan Chun Kau as independent non-executive Directors.

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.