RENHENG ENTERPRISE HOLDINGS LIMITED
仁恒實業控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3628)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2016

HIGHLIGHTS

- Revenue for the year ended 31 December 2016 was approximately HK$40,110,000, representing a decrease of approximately 42.2% as compared with the corresponding year in 2015;
- Loss attributable to shareholders of the Company for the year ended 31 December 2016 was approximately HK$12,987,000, while profit attributable to shareholders of the Company for the year ended 31 December 2015 was approximately HK$1,180,000; and
- The Directors do not recommend the payment of a final dividend for the year ended 31 December 2016.

The board (the "Board") of directors (the "Directors") of RENHENG Enterprise Holdings Limited (the "Company") is hereby to announce the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2016 together with the audited comparative figures for the corresponding year in 2015 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December

	Notes	**2016 HK$'000 (Audited)**	2015 HK$'000 (Audited)
Revenue	4	**40,110**	69,383
Cost of sales		**(29,061)**	(35,488)
Gross profit		**11,049**	33,895
Other income and gains	5	**4,603**	7,205
Other losses	6	**(1,207)**	(6,869)
Selling and distribution costs		**(8,005)**	(10,705)
Administrative expenses		**(16,889)**	(15,641)
Research and development costs		**(2,717)**	(2,925)
(Loss) Profit before taxation		**(13,166)**	4,960
Taxation	8	**179**	(3,780)
(Loss) Profit for the year		**(12,987)**	1,180
Other comprehensive expense for the year:			
Item that will not be reclassified to profit or loss:			
Exchange differences arising on translation		**(6,513)**	(6,999)
Total comprehensive expense for the year		**(19,500)**	(5,819)
(Loss) Earnings per share	9	**HK cents**	HK cents
- Basic		**(1.6)**	0.1
- Diluted		**(1.6)**	0.1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December

	Notes	**2016 HK$'000 (Audited)**	2015 HK$'000 (Audited)
Non-current assets			
Property, plant and equipment	11	**10,799**	12,271
Land use rights		**2,476**	2,686
Investment properties		**17,631**	18,735
		30,906	33,692
Current assets			
Inventories		**7,767**	16,130
Trade and other receivables	12	**30,261**	50,939
Land use rights		**68**	72
Amounts due from customers for contract work		**2,139**	903
Amounts due from related companies		**410**	2,379
Restricted bank deposits		**8,367**	1,894
Bank balances and cash		**68,291**	60,919
		117,303	133,236
Current liabilities			
Trade and other payables	13	**34,146**	31,251
Tax payable		**4,879**	6,007
		39,025	37,258
Net current assets		**78,278**	95,978
Total assets less current liabilities		**109,184**	129,670
Non-current liabilities			
Deferred tax liabilities		**78**	1,064
		109,106	128,606
Capital and reserves			
Share capital		**2,010**	2,010
Reserves		**107,096**	126,596
Total equity		**109,106**	128,606

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital HK$'000 (Audited)	Share premium HK$'000 (Audited)	Merger reserve HK$'000 (Audited)	Discretionary surplus reserve HK$'000 (Audited)	Statutory surplus reserve HK$'000 (Audited)	Capital reserve HK$'000 (Audited)	Property revaluation reserve HK$'000 (Audited)	Share option reserve HK$'000 (Audited)	Translation reserve HK$'000 (Audited)	Accumulated profits (loss) HK$'000 (Audited)	Total HK$'000 (Audited)
At 1 January 2015	2,000	52,940	49,091	3,338	19,842	999	2,775	571	14,519	107,990	254,065
Profit for the year	-	-	-	-	-	-	-	-	-	1,180	1,180
Exchange differences arising on translation	-	-	-	-	-	-	-	-	(6,999)	-	(6,999)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	(6,999)	1,180	(5,819)
Issue of share upon exercise of share options	10	1,521	-	-	-	-	-	(571)	-	-	960
Transfer	-	-	-	-	1,213	-	-	-	-	(1,213)	-
Special dividend recognised as distribution	-	(12,643)	-	-	-	-	-	-	-	(107,957)	(120,600)
At 31 December 2015	**2,010**	**41,818**	**49,091**	**3,338**	**21,055**	**999**	**2,775**	**-**	**7,520**	**-**	**128,606**
Loss for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(12,987)**	**(12,987)**
Exchange differences arising on translation	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(6,513)**	**-**	**(6,513)**
Total comprehensive expense for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(6,513)**	**(12,987)**	**(19,500)**
Transfer	**-**	**-**	**-**	**-**	**1,101**	**-**	**-**	**-**	**-**	**(1,101)**	**-**
At 31 December 2016	**2,010**	**41,818**	**49,091**	**3,338**	**22,156**	**999**	**2,775**	**-**	**1,007**	**(14,088)**	**109,106**

NOTES TO ANNUAL RESULTS

1. GENERAL

The Company was incorporated in the Cayman Islands on 2 February 2011 and registered as an exempted company with limited liability under the Companies Law of the Cayman Islands. Its shares were listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM") since 18 November 2011. On 25 November 2013, the listing of the shares of the Company has been transferred from the GEM to the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company acts as an investment holding company while its subsidiaries are principally engaged in the manufacture and sale of tobacco machinery products in the People's Republic of China (the "PRC"). The address of the registered office of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands. The address of the principal place of business of the Company is Room 3805, 38/F., Far East Finance Centre, 16 Harcourt Road, Admiralty, Hong Kong.

The functional currency of the Company is Renminbi as it is the currency in which the majority of the Group's transactions are denominated. The consolidated financial statements of the Group are presented in Hong Kong dollars ("HK$") as the management considers this presentation to be more useful for its current and potential investors.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied, for the first time, the amendments to HKFRSs and a new interpretation, issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

The application of these amendments to HKFRSs and new interpretation in the current year has had no material impact on the Group's financial performance and position for the current and prior years and/or the disclosures set out in these consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and by the Hong Kong Companies Ordinance (Cap. 622).

The consolidated financial statements have been prepared on the historical cost basis, except for investment properties that are measured at fair values at the end of each reporting period.

4. REVENUE AND SEGMENT INFORMATION

Revenue is arising from sale of goods and construction contracts of casing and flavouring system. An analysis of the Group's revenue is as follows:

	2016 **HK$'000** **(Audited)**	2015 HK$'000 (Audited)
Sales of goods	**17,612**	17,003
Revenue from construction contracts of casing and flavouring system	**22,498**	52,380
	40,110	69,383

The Group's operating activities are attributable to a single operating segment focusing on manufacture and sale of tobacco machinery products in the PRC. This operating segment has been identified on the basis of internal management reports prepared in accordance with accounting policies conform to HKFRSs, that are regularly reviewed by the chief executive officer of the Company, the chief operating decision maker of the Company. The chief executive officer of the Company regularly reviews revenue analysis by products, including casing and flavouring system, pneumatic feeding system, pre-pressing packing machine and other products. However, other than revenue analysis, no operating results and other discrete financial information is available for the assessment of performance of the respective products. The chief executive officer of the Company reviews the revenue and the profit for the year of the Group as a whole to make decision about resources allocation. No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the chief executive officer of the Company. Accordingly, no segment information is presented.

<u>Entity-wide information</u>

An analysis of the Group's revenue by products is as follows:

	2016 **HK$'000** **(Audited)**	2015 HK$'000 (Audited)
Revenue from construction contracts of casing and flavouring system	**22,498**	52,380
Sales of		
- pneumatic feeding system	**13,570**	9,669
- pre-pressing packing machine	**132**	2,961
- other products	**3,910**	4,373
	40,110	69,383

4. REVENUE AND SEGMENT INFORMATION (Continued)

Revenue from customers of the corresponding year contributing over 10% of the total revenue of the Group are as follows:

	2016	2015
	HK$'000	HK$'000
	(Audited)	(Audited)
Customer A [1]	**14,762**	35,727
Customer B [2]	**5,148**	8,734
Customer C [3]	**4,248**	N/A*

[1] Revenue from sales of all products.
[2] Revenue from sales of all products. No revenue was recognized during the year ended 31 December 2015.
[3] Revenue from sales of all products. The revenue contributed did not exceed 10% of the total sale of the Group during the year ended 31 December 2015.

All of the Group's revenue are derived in the PRC, which are determined by the location where the systems or products being installed or delivered. The Group's non-current assets comprise of HK$30,906,000 (2015: HK$33,692,000) which are located in the PRC (excluding Hong Kong).

5. OTHER INCOME AND GAINS

	2016	2015
	HK$'000	HK$'000
	(Audited)	(Audited)
Sales of materials, parts and components, net gain	**2,701**	4,092
Subsidy income (note)	**613**	475
Rental income	**401**	658
Interest income	**684**	1,932
Others	**204**	48
	4,603	7,205

Note: These granted are accounted for immediate financial support with no future related costs nor related to any assets, therefore, the Group recognised upon receipts.

6. OTHER LOSSES

	2016 HK$'000 (Audited)	2015 HK$'000 (Audited)
Loss on disposal and write-off of property, plant and equipment	**-**	(54)
Loss on fair value changes of investment properties	**(116)**	-
Allowance for doubtful debts	**(541)**	-
Write-off of amount due to related companies	**(336)**	-
Exchange loss, net	**(214)**	(6,815)
	(1,207)	(6,869)

7. DEPRECIATION AND AMORTISATION

During the year ended 31 December 2016, depreciation and amortisation amounting to HK$1,798,000 and HK$70,000 (2015: HK$2,012,000 and HK$74,000) were charged to profit or loss in respect of the Group's property, plant and equipment and land use rights respectively.

8. TAXATION

	2016 HK$'000 (Audited)	2015 HK$'000 (Audited)
The (credit) charge comprises:		
Current Tax		
PRC Enterprise Income Tax	**-**	2,843
PRC withholding tax	**388**	546
	388	3,389
Underprovision in prior year		
PRC Enterprise Income Tax	**389**	477
	777	3,866
Deferred taxation	**(956)**	(86)
	(179)	3,780

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group has no assessable profit arisen in, or was derived from, Hong Kong.

The provision for PRC Enterprise Income Tax is based on the estimated taxable income for PRC taxation purpose at 25% (2015: 15%) pursuant to the Law of the PRC on Enterprise Income Tax and Implementation Legislation (the "EIT Law").

Under the EIT Law, a qualified High and New-Tech Enterprise ("HNTE") can enjoy a reduced tax rate at 15%. Baoying Renheng had been recognised and approved as a HNTE since 2011 and renewed its status in 2013, and is therefore entitled to a reduced tax rate at 15% for the three years ended at 31 December 2015. Baoying Renheng did not renew its HNTE status in 2016 and is subject to the tax rate at 25% for the year.

The provision for withholding tax is arisen from its PRC subsidiary at a tax rate of 5%.

9. (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share attributable to the owners of the Company for both years is based on the following data:

	2016	2015
	HK$'000	HK$'000
	(Audited)	(Audited)
(Loss) Earnings		
(Loss) Profit for the year attributable to owners of the Company for the purposes of basic and diluted earnings per share	**(12,987)**	1,180
Number of shares		
Weighted average number of ordinary shares for the purposes of calculating basic (loss) earnings per share	**804,000,000**	804,000,000

No diluted (loss) earnings per share for both years were presented as there were no potential ordinary shares in issue for both years.

10. DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2016 (2015: Nil). Special dividend of HK$0.15 per ordinary share was paid during the year ended 31 December 2015.

11. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2016, the Group purchased property, plant and equipment amounting to HK$952,000 (2015: HK$831,000).

12. TRADE AND OTHER RECEIVABLES

	2016	2015
	HK$'000	HK$'000
	(Audited)	(Audited)
Trade receivables	**20,422**	30,455
Less: Allowance for doubtful debts	**(2,639)**	(2,287)
	17,783	28,168
Retention money receivables	**8,635**	15,367
Prepayments and deposits	**1,087**	2,087
Sundry receivables	**3,294**	5,828
Less: Allowance for doubtful debts	**(538)**	(511)
	12,478	22,771
	30,261	50,939

12. TRADE AND OTHER RECEIVABLES (Continued)

The Group normally allows a credit period of three months to its trade customers. Before accepting any new customer, the Group will internally assess the credit quality of the potential customer and define appropriate credit limits. Retention money receivables refer to the sum retained by customers after the delivery and completion of the contracts (including construction contracts of casing and flavouring system, and sales of pneumatic feeding system and other products) but before the expiry of the warranty period given by the Group, which in general, a period of 12 months. Included in retention money receivables with carrying amount of HK$550,000 (2015: HK$6,817,000) which is past due but not impaired as the management of the Group considers that there has not been a significant change in credit quality and the amount is considered recoverable. The Group does not hold any collateral over the balance.

The following is an aged analysis of trade receivables (net of allowance for doubtful debts) presented based on the invoice date at the end of the reporting period.

	2016 HK$'000 (Audited)	2015 HK$'000 (Audited)
0 – 90 days	**8,328**	17,465
91 – 365 days	**1,966**	3,946
1 – 2 years	**4,372**	1,837
Over 2 years	**3,117**	4,920
	17,783	28,168

The following is an aged analysis of trade receivables (net of allowance for doubtful debts) presented based on the invoice date at the end of the reporting period which are past due but not impaired as the management of the Group considers that there has not been a significant change in credit quality and the amounts are considered recoverable. The Group does not hold any collateral over these balances.

	2016 HK$'000 (Audited)	2015 HK$'000 (Audited)
91 – 365 days	**1,966**	3,946
1 – 2 years	**4,372**	1,837
Over 2 years	**3,117**	4,920
	9,455	10,703

13. TRADE AND OTHER PAYABLES

	2016	2015
	HK$'000	HK$'000
	(Audited)	(Audited)
Trade payables	**6,915**	16,674
Bills payables	**4,243**	1,776
	11,158	18,450
Advances from customers	**17,529**	6,185
Accrued welfare expense	**1,622**	1,713
Valued added tax payables	**1,115**	2,111
Other payables	**2,600**	2,570
Other tax payables	**122**	222
	34,146	31,251

The following is an aged analysis of trade and bills payables presented based on the invoice date at the end of the reporting period.

	2016	2015
	HK$'000	HK$'000
	(Audited)	(Audited)
0 – 90 days	**8,961**	**16,795**
91 – 365 days	**1,625**	**832**
1 – 2 years	**202**	**125**
Over 2 years	**370**	**698**
	11,158	**18,450**

The average credit period on purchase of goods is 90 days.

MANAGEMENT DISCUSSION AND ANALYSIS

The Group is principally engaged in the manufacture, sale and provision of maintenance, overhaul and modification services in respect of tobacco machinery products in the PRC. We generate our revenue primarily from projects related to three types of catalogued special-purpose tobacco machinery products, namely the casing and flavouring systems, pneumatic feeding systems ("PF system") and pre-pressing packing machines ("PP system").

FINANCIAL REVIEW

For the year ended 31 December 2016, the revenue of the Group dropped by approximately HK$29,273,000 or 42.2% to approximately HK$40,110,000 as compared to approximately HK$69,383,000 for the previous year. Such decrease was continuously attributable to drop in revenue recognised from the casing and flavouring systems. For the year under review, the Group recognised revenue from casing and flavouring systems amounting to approximately HK$22,498,000 (2015: approximately HK$52,380,000), which was approximately HK$29,882,000 less than that recognised in prior year. The drop was mainly because revenue recognised from customer A decreased from approximately HK$35,727,000 in 2015 to HK$14,762,000 in 2016. For the year ended 31 December 2016, the average contract sum from our largest customer A was approximately HK$1.6 million (2015: HK$3.2 million), which caused the revenue dopped. The gross profit margin of the Group was 27.5% and 48.9% for the year ended 31 December 2016 and 2015 respectively because more costs incurred for our projects for the year.

Other income and gains decreased from approximately HK$7,205,000 in 2015 to approximately HK$4,603,000 in 2016, representing to approximately HK$2,602,000 or 36.1%. The decrease was mainly due to less sales of materials, plants and components and interest income for the year under review.

Other losses decreased from approximately HK$6,869,000 in 2015 to approximately HK$1,207,000 in 2016, representing to approximately HK$5,662,000 or 82.4%. The decrease was mainly due to a significant exchange loss recognised from the depreciation of Renminbi in previous year.

Operating expenditure of the Group, comprising the selling and distribution costs and administrative expenses, amounted to approximately HK$24,894,000 (2015: approximately HK$26,346,000), representing a decrease of approximately HK$1,452,000 or 5.5%. The overall decrement was net off of (1) continuous cost control and (2) increase in legal and professional fee .

Taxation was approximately HK$3,780,000 for the year ended 31 December 2015, while it was tax credit amounting to approximately HK$179,000 due to less profit was resulted for the year ended 31 December 2016.

Loss attributable to shareholders of the Company for the year ended 31 December 2016 was approximately HK$12,987,000, while profit attributable to shareholders of the Company for the year ended 31 December 2015 was approximately HK$1,180,000.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2016 (2015: Nil). Special dividend of HK$0.15 per ordinary share was paid during the year ended 31 December 2015.

BUSINESS REVIEW

The sale of catalogued special-purpose tobacco machinery products continued to contribute the majority of the revenue of the Group, amounting to approximately HK$36,200,000 or 90.3% of total revenue (2015: approximately HK$65,010,000 or 93.7% of total revenue). For the year ended 31 December 2016, the Group has completed projects in delivering casing and flavouring system to cigarette manufacturers located in Shanxi and Shandong Province and PF system to customers located in Gansu Province respectively. During the year, the Group has also completed project in PP system to tobacco redrying factory located in Chongqing.

Our technical personnel is always committed to new product design and development and strives to bring along extended range of products to customers. For the year ended 31 December 2016, the expenditure incurred on research and development amounted to approximately HK$2,717,000 (2015: approximately HK$2,925,000).

Following the completion of development of respective products, in particular the new set of casing and flavouring system, our sales and marketing personnel continued exploring opportunity of trade exhibitions in the PRC to introduce these new products in a large scale basis to existing and potential customers, with expectation of building business relationship and to further enhance our penetration into the tobacco machinery market.

BUSINESS OUTLOOK

According to the National Bureau of Statistics of China, the fixed asset investment in the tobacco products industry in urban areas grew at a compound annual growth rate of approximately 11.1% between 2009 and 2016 from RMB10.0 billion to RMB20.9 billion. Based on the current economic, political and social developments in the PRC, the Group estimates that the average replacement cycle of our tobacco machinery products will be lengthened and expects that year 2017 is still challenging.

Leveraging on the Group's competitive strengths in product customisation and development capabilities, and the completion of development of a new set of PF system, PP system and casing and flavouring system, as well as our long standing relationships with customers, which enables both the sales and technical personnel to obtain good and timely understanding of customers' requests in the prevailing PRC tobacco industry, the Group is capable of capturing market opportunities for its specialised products and securing contracts with cigarette manufacturers and tobacco redrying factories in the foreseeable future, hence delivering greater value to our shareholders.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

Our operations were financed principally by revenues generated from business operations, available bank balances and the net proceeds from the placing of shares upon the initial public offering. As at 31 December 2016, bank balances and cash amounted to approximately HK$68,291,000 (2015: approximately HK$60,919,000) and the net current assets was approximately HK$78,278,000 (2015: approximately HK$95,978,000). As at 31 December 2016, the current ratio was approximately 3.0 (2015: approximately 3.6). The decrease was mainly due to less profit generated from our operation and less current assets such as trade receivables was resulted.

The Group did not have any borrowings, mortgages or charges as at 31 December 2016 (2015: nil).

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2016, the Group had a total of 149 employees (2015: 159). Total staff costs (including directors' remuneration) were approximately HK$14,816,000 for the year ended 31 December 2016 as compared to approximately HK$15,112,000 for the year ended 31 December 2015.

Remuneration in the form of salaries and bonus is determined by reference to our employees' respective experience, responsibilities, qualifications and competence displayed and our operation results. Our employees also receive reimbursements for expenses which are necessarily and reasonably incurred for providing services to our Group or executing their functions in relation to our operations. Our Directors and employees may also receive options granted under the share option scheme after listing.

MATERIAL ACQUISITION AND DISPOSAL

The Group had no material acquisition and disposal of subsidiaries for two years ended 31 December 2015 and 31 December 2016.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 17 May to 19 May 2017, both days inclusive, during which period no transfer of the shares of the Company will be registered. In order to be eligible for the attendance of the forthcoming annual general meeting of the Company, all share certificates with completed transfer forms either overleaf or separately, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 16 May 2017.

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

During the year ended 31 December 2016, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any shares of the Company.

CORPORATE GOVERNANCE

Pursuant to the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Listing Rules which sets out the principles of good corporate governance and the code provisions (the "Code Provisions"), the Company has applied all the Code Provisions as set out in the Code during the year ended 31 December 2016, save and except the Code Provisions A.2.1 of the CG Code.

The roles of chairman and chief executive officer are performed by the same individual.

The Company has applied the principles of the required standard of securities transactions by our Directors as set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules. Having made specific enquiry of all Directors, the Company was confirmed that all Directors have complied with or they were not aware of any non-compliance with the required standard of dealings as set out in the Listing Rules during the year ended 31 December 2016.

SCOPE OF WORK OF DELOITTE TOUCHE TOHMATSU

The financial figures in this announcement have been agreed by the Company's auditor, Deloitte Touche Tohmatsu, to the amounts set out in the Group's consolidated financial statements for the year ended 31 December 2016. The work performed by Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by Deloitte Touche Tohmatsu on this announcement.

REVIEW OF ANNUAL RESULTS

The audited consolidated results for the year ended 31 December 2016 have been reviewed by the audit committee of the Company. The audit committee was of the opinion that such results complied with the applicable accounting standards and that adequate disclosures had been made.

By order of the Board
RENHENG Enterprise Holdings Limited
Liu Li
Chairman and Chief Executive Officer

Hong Kong, 29 March 2017

As at the date of this announcement, the executive Directors are Ms. Liu Li and Mr. Xu Jiagui and the independent non-executive Directors are Mr. Wong Yiu Kit, Ernest, Mr. Kong Hing Ki and Mr. Wu Wei.