



# CULTURECOM HOLDINGS LIMITED

文化傳信集團有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 343)

## INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007

### INTERIM RESULTS

The Board of Directors (the “Directors”) of Culturecom Holdings Limited (the “Company”) is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 September 2007 together with comparative figures for the corresponding period of 2006 are as follows:

### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2007

		Six months ended 30 September	
	Notes	2007 HK\$'000 (unaudited)	2006 HK\$'000 (unaudited)
<b>Revenue</b>	3	<b>22,029</b>	26,432
Cost of sales		<u>(14,749)</u>	<u>(21,619)</u>
<b>Gross profit</b>		<b>7,280</b>	4,813
Other income		<b>8,698</b>	695
Administrative expenses		<b>(45,111)</b>	(32,295)
Increase/(Decrease) in fair value of held-for-trading investments		<b>1,537</b>	(1,482)
Share of loss of associates		<b>(4,663)</b>	(672)
Gain on disposals of an associate		-	1,376
Gain on disposals of subsidiaries		-	1,726
Finance costs	4	<b>(166)</b>	(73)
Allowances for amounts due from an associate		<u>(20,715)</u>	<u>-</u>
<b>Loss before income tax</b>	5	<b>(53,140)</b>	(25,912)
Income tax expense	6	<u>-</u>	<u>-</u>
<b>Loss for the period attributable to equity holders of the Company</b>		<b><u>(53,140)</u></b>	<b><u>(25,912)</u></b>
<b>Loss per share attributable to equity holders of the Company during the period - basic</b>	7	<b><u>HK1.08 cents</u></b>	<b><u>HK0.68 cents</u></b>
<b>Dividends</b>		<u>-</u>	<u>-</u>

**CONDENSED CONSOLIDATED BALANCE SHEET**

AT 30 SEPTEMBER 2007

	<i>Notes</i>	<b>30 September 2007 HK\$'000 (unaudited)</b>	31 March 2007 HK\$'000 (audited)
<b>Non-current assets</b>			
Property, plant and equipment		12,571	13,230
Prepaid lease payments		24,555	24,724
Investment properties		80,026	80,026
Interests in associates		25,051	8,248
Amounts due from associates		1,873	22,030
Intangible assets - club memberships		1,385	1,385
		<u>145,461</u>	<u>149,643</u>
<b>Current assets</b>			
Inventories		224	139
Trade debtors	8	7,923	5,382
Prepaid lease payments		335	335
Deposit for acquisition of investment		12,355	-
Other debtors, deposits and prepayments		15,762	19,929
Amounts due from fellow subsidiaries of an associate		217	200
Amounts due from associates		5,455	4,642
Tax recoverable		35	91
Held-for-trading investments		45,838	29,877
Bank balances and deposits with financial institutions		263,231	37,154
		<u>351,375</u>	<u>97,749</u>
<b>Current liabilities</b>			
Trade creditors	9	6,500	6,020
Other creditors and accrued charges		9,168	9,375
Amounts due to fellow subsidiaries of an associate		1,233	1,233
Obligations under finance leases - due within one year		32	32
Tax payable		168	162
		<u>17,101</u>	<u>16,822</u>
<b>Net current assets</b>		<u>334,274</u>	<u>80,927</u>
<b>Total assets less current liabilities</b>		<u><u>479,735</u></u>	<u><u>230,570</u></u>

	<b>30 September</b>	31 March
	<b>2007</b>	2007
<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
	<b>(unaudited)</b>	(audited)
<b>EQUITY</b>		
Equity attributable to equity holders of the Company		
Share capital	<b>575,688</b>	410,698
Reserves	<b>(101,540)</b>	(185,731)
<b>Total equity</b>	<b>474,148</b>	224,967
<b>Non-current liabilities</b>		
Obligations under finance leases - due after one year	<b>55</b>	71
Deferred tax liabilities	<b>5,532</b>	5,532
	<b>5,587</b>	5,603
	<b>479,735</b>	230,570

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### 1. BASIC OF PREPARATION

These unaudited condensed interim financial statements have been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Hong Kong Accounting Standards (“HKAS”) No. 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

### 2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated interim financial statements are prepared in compliance with the Hong Kong Financial Reporting Standards (“HKFRS”), which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“HKAS-Int”) issued by the HKICPA and accounting principles generally accepted in Hong Kong.

The unaudited condensed consolidated interim financial statements have been prepared under the historical cost basis except for financial instruments classified as held-for-trading investments which are stated at fair value.

The accounting policies adopted in the unaudited condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group’s annual financial statements for the year ended 31 March 2007 except for the adoption of new standards, amendments to standards and interpretations which are effective for accounting periods beginning on or after 1 April 2007 as set out below:

Amendment to HKAS 1	“Presentation of Financial Statements” - Capital Disclosures
HKFRS 7	“Financial Instruments: Disclosures”
HK (IFRIC) - Interpretation 7	“Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies”
HK (IFRIC) - Interpretation 8	“Scope of HKFRS 2”
HK (IFRIC) - Interpretation 9	“Reassessment of Embedded Derivatives”
HK (IFRIC) - Interpretation 10	“Interim Financial Reporting and Impairment”
HK (IFRIC) - Interpretation 11	“HKFRS 2 - Group and Treasury Share Transactions”

The adoption of the above has no material impact to the Group’s condensed consolidated interim balance sheet and income statement.

The following new standards, amendments to standards and interpretation have been issued but are not yet effective and have not been early adopted. The directors of the Company is currently assessing the impact of these standards and interpretations but are not yet in position to state whether they would have material financial impact on the Group’s financial statements.

HKAS 23 (Revised)	“Borrowing Costs” <sup>1</sup>
HKFRS 8	“Operating Segments” <sup>1</sup>
HK(IFRIC) - Interpretation 12	“Service Concession Arrangements” <sup>2</sup>
HK(IFRIC) - Interpretation 13	“Customer Loyalty Programmes” <sup>3</sup>
HK(IFRIC) - Interpretation 14	“HKAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2009

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2008

<sup>3</sup> Effective for annual periods beginning on or after 1 July 2008

### 3. SEGMENT INFORMATION

#### Primary reporting format - Business segments

The Group is currently organised into three main business segments:

Publishing	- publishing of comics and related business
Chinese information infrastructure	- sales of Chinese operating system, processor, eTextbook and application software
Investment	- rental income from investment properties

#### Income statement for the period ended 30 September 2007

	<b>Publishing</b>	<b>Chinese information infrastructure</b>	<b>Investment</b>	<b>Consolidated</b>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Turnover	<u>19,237</u>	<u>10</u>	<u>2,782</u>	<u>22,029</u>
Segment results	<u>545</u>	<u>(2,957)</u>	<u>(712)</u>	(3,124)
Unallocated expenses				(24,472)
Share of loss of associates				(4,663)
Allowance for amount due from an associate				(20,715)
Finance costs				<u>(166)</u>
Loss before income tax				(53,140)
Income tax expense				<u>-</u>
Loss for the period				<u>(53,140)</u>

Income statement for the period ended 30 September 2006

	Publishing <i>HK\$'000</i>	Chinese information infrastructure <i>HK\$'000</i>	Investment <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
Turnover	<u>23,733</u>	<u>209</u>	<u>2,490</u>	<u>26,432</u>
Segment results	<u>1,744</u>	<u>(7,186)</u>	<u>(2,983)</u>	(8,425)
Unallocated expenses				(19,844)
Share of loss of associates				(672)
Finance costs				(73)
Gain on disposal of subsidiaries				1,726
Gain on disposal of an associate				<u>1,376</u>
Loss before income tax				(25,912)
Income tax expense				<u>-</u>
Loss for the period				<u>(25,912)</u>

**Secondary reporting format - Geographical segments**

The Group's operations are located in Hong Kong and other regions in the People's Republic of China ("PRC").

The following table provides an analysis of the Group's revenue by location of markets, irrespective of the origin of the goods/services:

	Revenue Six months ended 30 September	
	2007 <i>HK\$'000</i>	2006 <i>HK\$'000</i>
Hong Kong	<b>22,019</b>	26,377
Macau	<u>10</u>	<u>55</u>
	<u><b>22,029</b></u>	<u>26,432</u>

#### 4. FINANCE COSTS

	Six months ended 30 September	
	2007	2006
	HK\$'000	HK\$'000
Interest charges on:		
Finance charges	2	7
Convertible bonds (all issued and converted into share capital during the period)	<u>164</u>	<u>66</u>
	<u><b>166</b></u>	<u><b>73</b></u>

#### 5. LOSS BEFORE INCOME TAX

	Six months ended 30 September	
	2007	2006
	HK\$'000	HK\$'000
Loss before income tax has been arrived at after charging/(crediting):		
Staff costs, including directors emoluments	7,839	8,963
Recognition of equity-settled share-based Payments	28,547	11,749
Amortisation of prepaid lease payments	169	169
Depreciation of property, plant and equipment	672	2,549
Interest income	<u>(2,259)</u>	<u>(243)</u>

#### 6. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been provided in the financial statements as the Group had no estimated assessable profit for the period (2006: nil). The Group also had no assessable profits in other jurisdiction in both periods.

#### 7. LOSS PER SHARE

The calculation of the basic loss per share attributable to the equity holders of the Company is based on the loss for the year of HK\$53,140,000 (2006: HK\$25,912,000) and the weighted average number of 4,910,613,975 (2006: 3,809,935,926) ordinary shares in issue during the period.

No diluted loss per share has been presented for both period because the exercise of the Company's outstanding share options and warrants would reduce loss per share.

## 8. TRADE DEBTORS

The Group allows an average credit period of 60 days to its trade customers. The following is the aging analysis of trade debtors at the balance sheet date:

	<b>30 September 2007 HK\$'000</b>	31 March 2007 HK\$'000
0 - 60 days	4,494	3,975
61 - 90 days	2,081	333
Over 90 days	<u>1,348</u>	<u>1,074</u>
	<b><u>7,923</u></b>	<b><u>5,382</u></b>

## 9. TRADE CREDITORS

The following is an aged analysis of trade creditors at the balance date:

	<b>30 September 2007 HK\$'000</b>	31 March 2007 HK\$'000
0 - 60 days	3,305	744
61 - 90 days	2,192	1,653
Over 90 days	<u>1,003</u>	<u>3,623</u>
	<b><u>6,500</u></b>	<b><u>6,020</u></b>

## 10. ISSUE OF CONVERTIBLE BONDS

On 24 April 2007, the Company has exercised its option to the holders of the HK\$36 million convertible bonds (“Tranche 1 Convertible Bonds”) for the subscription of another HK\$36 million convertible bonds (“Tranche 2 Convertible Bonds”). On 11 May 2007, the Tranche 2 Convertible Bonds have been issued to nine holders of the Tranche 1 Convertible Bonds. The conversion price of Tranche 2 Convertible Bonds is HK\$0.1 per new ordinary share of HK\$0.1 each in the share capital of the Company. The net proceeds of the issue of the Tranche 2 Convertible Bonds which are expected to be HK\$35.5 million will be used as general working capital of the Group.

The fair values of the liability component and the equity conversion component were determined upon the issuance of the convertible bonds.

The fair value of the liability component, included in long-term borrowings, was calculated using a market interest rate for an equivalent non-convertible bonds. The residual amount, representing the value of equity conversion component, included in shareholders’ equity in other reserve.

As at 30 September 2007, all holders of Tranche 2 Convertible Bonds for the principle amount of HK\$36 million had converted their Tranche 2 Convertible Bonds into ordinary shares of the Company.



## **INTERIM DIVIDEND**

The Board of Directors of the Company has resolved not to declare an interim dividend for the six months ended 30 September 2007 (2006: nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Financial Results**

For the period ended 30 September 2007, the Group's overall turnover decreased by approximately 16.66% to HK\$22,029,000, of which approximately HK\$19,237,000, HK\$10,000 and HK\$2,782,000 (2006: HK\$23,733,000, HK\$209,000 and HK\$2,490,000) were attributable to our business of comics publication, Chinese information infrastructure and rental income from investment properties respectively.

Although the Group's consolidated net loss attributable to the shareholders of the Company increased from HK\$25,912,000, or HK0.68 cents per share in 2006 to approximately HK\$53,140,000, or HK1.08 cents per share in this period, the Group has already begun to turn things around. This discrepancy in performance of the Group resulted primarily from non-cash expenses such as share-based payment of HK\$28,547,000 (2006: HK\$11,749,000) along with an allowance on loan from an associate of HK\$20,715,000 (2006: nil). Excluding these expenses, the Group's operating loss would have been approximately HK\$3,878,000 (2006: HK\$14,163,000). Cleaning up the bad loans and freeing up capital and resources that can be redirected toward value-creating growth opportunities are only a few of the many immediate actions that the Group has taken to turn things around. The Group is optimistic of its future, as the restructuring steps taken are evident that the end of the tunnel is in sight.

Also, as of 30 September 2007, the Group's net asset value was HK\$474,148,000 and net asset value per weighted average number of 4,910,613,975 shares of the Company was approximately HK\$0.09 (2006: HK\$0.06). Increase in net asset value was primarily due to fund raising, issue of convertible bonds, and the exercise of share options and warrants that were carried out during this period.

### **Placement of New Shares**

On 14 June 2007, the Company and placing agent made an agreement pursuant to which the Company has conditionally agreed to place, through the placing agent on a best efforts basis, a maximum of 800,000,000 new shares ("Placing Shares") to independent institutional, corporate or individual investors at a price of HK\$0.22 per Placing Share (the "Placing"). The Placing was completed on 10 July 2007. The maximum net proceeds from the Placing of approximately HK\$172,000,000 will be used for possible investment on energy-related business.

### **Convertible Bonds**

On 24 April 2007, the Company has exercised the option to call for subscription of the Tranche 2 Convertible Bonds. Upon exercising of option, holders of Tranche 1 Convertible Bonds are obliged to subscribe for the Tranche 2 Convertible Bonds at the conversion price of HK\$0.10 per share. The issue of the Tranche 2 Convertible Bonds was completed on 11 May 2007 and fully converted into shares during the period. The net proceeds of approximately HK\$35,500,000 will be used as general working capital of the Group.

## **Acquisition**

On 19 March 2007, the Group entered into a conditional sale and purchase agreement with an independent third party in relation to the acquisition involving the issue of consideration shares for the PRC media design and advertising business with a total of HK\$55,450,000. Due to the disagreement of some directors, a board meeting was then duly held with all directors either present in person or communicated by telephone conference in order to re-consider the acquisition on 30 March 2007. After due and careful consideration of the directors, the acquisition was not approved. On 2 April 2007, the Group entered into a deed of cancellation to cancel the agreement with a compensation that has been provided for in the year ended 31 March 2007.

On 16 July 2007, the Group entered into a sale and purchase agreement with an independent third party whereby the Group agreed to acquire equity interests in a company which primarily engages in energy-related businesses for a total consideration of HK\$213 million. The consideration shall be settled by allotment and issue of consideration shares of the Group to the Vendor credited as fully paid on completion. A refundable deposit of US\$1.5 million has been paid by the Group for this investment. This proposed acquisition together with the issue of the consideration shares will be subject to the approval of the shareholders at the Special General Board Meeting to be held on 27 December 2007.

## **Liquidity and Financial Resources**

As at 30 September 2007, the Group had bank and deposits with financial institutions balances in aggregate of approximately HK\$263,231,000 and held-for-trading investments of approximately HK\$45,838,000. The Group's net cash used in operating activities was lower and stood at HK\$4,162,000 in this period compared to HK\$12,172,000 in the comparable period last year and from HK\$139,440,000 in 2005. The Group has no significant exposure to foreign exchange rate fluctuation.

As at 30 September 2007, the Group had a net current asset of approximately HK\$334,274,000 (31 March 2007: HK\$80,927,000) and a current ratio of 20.55 (31 March 2007: 5.81). The Group's total liabilities as of 30 September 2007 amounted to approximately HK\$22,688,000 (31 March 2007: HK\$22,425,000) and represented approximately 4.79% (31 March 2007: 9.97%) to shareholders' equity.

Upon consideration of the above, the Directors have no doubt that the Group will have sufficient liquidity to finance its daily operations, as reflected by its healthy financial status with a wealth of cash flow and other resources. As always, the Group will continue to follow prudent and disciplined cash management practices on any excess liquidity. Any future net proceeds from the upcoming placement of warrants and exercise of warrants and share options would certainly strengthen the positive outlook of the Group and propel it to an even stronger financial position.

## **Employment and Remuneration Policies**

As at 30 September 2007, the Group had a total of 83 employees of which 52 are based in Hong Kong, 29 in Macau and 2 in the PRC. Total staff costs incurred during the period amounted to approximately HK\$7,839,000 (2006: HK\$8,963,000). Remuneration packages are maintained at competitive levels and reviewed by the management on a periodical basis. Discretionary bonuses and incentive share options are awarded to certain directors and employees according to the assessment of individual merit and performance.

## **BUSINESS REVIEW**

It has been widely documented that companies can improve their profitability, productivity and competitiveness by streamlining their core business processes and functions, as well as their organizational composition. With these in mind, our Group has begun its restructuring since 2006, in which its primary interest is to provide a focused vision to all improvement initiatives at the micro or company level. On the technology-business front, our Group is at its last stage of restructuring, shedding unprofitable and non-core businesses while actively looking for suitable cooperative partners to enhance and commercialize the Chinese Character Generating Engine and related technologies. In the comic business, our Group is pursuing opportunities in animation and comics licensing within mainland China while continuing to develop in other areas such as inter-media comics, licensed movies, ancillary online games and mobile games. Furthermore, we are attempting to branch out to the resource business as increasing competition in our existing businesses has led to lower-than-expected shareholders' returns. With the continuing economic growth and accelerating urbanization in Greater China and other parts of the world, our Group projects a high demand of energy sources in the years ahead. As the current energy supplies become scarce and alternative resources are in question, the management of our Group is confident that the proposed ventures in the resource business will not only yield positive returns but also make significant contributions to the society.

### **Prospects**

Looking ahead, our Group will continue to fortify the relationships with its cooperative partners and business associates. We are always on the lookout for business opportunities with the potential to enhance shareholders' values while minimizing its exposure to risk. In particular, our Group recognizes the right of exploring oil and natural gas in China is something that is strictly controlled by the Central Government and exclusively exercised by PetroChina, Sinopec and CNOOC. Only a limited number of oil blocks in China is available to foreign enterprises in partnership with these three large state-owned oil companies or their subsidiaries. Our Group is proposing to acquire 100% equity interest of a company, which has the right to exploit oil and natural gas with one of Sinopec's subsidiaries. Should this proposed venture materialize (details noted in the Group's circular published on 11 December 2007), we will be a new entrant to the oil and gas exploration and production ("E&P") business in China and around the world. This has the potential to bring in a guaranteed profit of not less than RMB19 million for the 12 months period ending 31 December 2008. Also, our group intends to seek further cooperation with Sinopec and its subsidiaries in other regions as well as other state-owned enterprises that possess natural resources extraction rights. With our forthcoming cooperation and developments in the pipeline, we look to partner up with major Chinese energy-related companies to penetrate the business of oil and gas E&P in China and around the world.

### **REPURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES**

Neither the Company nor its subsidiaries have purchased, sold or redeemed any of the listed securities in the Company during the six months ended 30 September 2007.

## **AUDIT COMMITTEE**

The Audit Committee, with written terms of reference in line with the code provisions set out in the Code on Corporate Governance Practices (the “Code”) as stipulated in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), currently comprises three independent non-executive Directors, namely Mr. Lai Man To, Mr. Wang Tiao Chun and Mr. Joseph Lee Chennault. The Committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed the internal control and financial reporting matters including the review of the unaudited interim results for the six months ended 30 September 2007.

## **COMPLIANCE WITH THE CODE ON CORPORATE GOVERNANCE PRACTICES**

The Company has complied with the Code as set out in Appendix 14 to the Listing Rules during the six months ended 30 September 2007 except for the following deviations:

### **Code Provision A.2.1**

Under the code provision A.2.1, the roles of Chairman and Chief Executive Officer (“CEO”) should be separated and should not be performed by the same individual. During the period, the Company did not have any officer with the title of “CEO” but instead the duties of a CEO are performed by Mr. Cheung Wai Tung, the Chairman of the Company in the same capacity as the CEO of the Company. The Board believed that vesting the roles of both Chairman and CEO in the same person provided the Group with strong and consistent leadership and allowed for more effective planning and execution of long term business strategies. However with increasing workload of the Chairman, the Company resolved to appoint Mr. Kwan Kin Chung as the Acting CEO of the Company in April 2007.

### **Code Provision A.4.1**

Under the code provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. The current independent non-executive Directors of the Company are not appointed for a specific term. However, all Directors (including executive and non-executive) of the Company are subject to retirement by rotation at the annual general meeting in accordance with Bye-Law 110(A) and 190(v) of the Bye-Laws of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the Code.

### **Code Provision E.1.2**

Under the code provision E.1.2 the chairman of the board should attend the annual general meeting. The Chairman of the Board, Mr. Cheung Wai Tung was unable to attend the annual general meeting of the Company held on 21 September 2007 as he was on business trip for other important business engagement. However, an Executive Director, present at the annual general meeting who then took the chair of that meeting in accordance with the Bye-Laws of the Company.

## **COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS**

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” as set out in Appendix 10 to the Listing Rules as its own code for dealing in securities of the Company by the Directors (the “Model Code”). Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard as set out in the Model Code during the six months ended 30 September 2007.

## **PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT**

This interim results announcement is available for viewing on the website of Hong Kong Exchanges and Clearing Limited at [www.hkex.com.hk](http://www.hkex.com.hk) and on the website of the Company at [www.culturecom.com.hk](http://www.culturecom.com.hk). The interim report will be despatched to the shareholders of the Company and will be published on the above websites in due course.

## **APPRECIATION**

I would like to express my sincere gratitude to the Board of Directors, our management and to all our staff for their dedicated efforts during this period; as well as to our customers, suppliers, business partners and shareholders for their continued enthusiastic support of our Group.

By Order of the Board of  
**CULTURECOM HOLDINGS LIMITED**  
**Cheung Wai Tung**  
*Chairman*

Hong Kong, 18 December 2007

*As at the date of this announcement, the Board comprises of Mr. Cheung Wai Tung, Mr. Chu Bong Foo, Mr. Wan Xiaolin, Mr. Henry Chang Manayan, Mr. Tai Cheong Sao, Mr. Chung Billy (all being executive Directors); and Mr. Lai Man To, Mr. Wang Tiao Chun, Mr. Joseph Lee Chennault (all being independent non-executive Directors).*

*\* for identification purpose only*