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# CHINA MERCHANTS CHINA DIRECT INVESTMENTS LIMITED

# 招 商 局 中 國 基 金 有 限 公 司

*(Incorporated in Hong Kong with limited liability)*
**(Stock Code: 133)**

## ANNOUNCEMENT OF 2016 INTERIM RESULTS

## FINANCIAL RESULTS

The Board of Directors of China Merchants China Direct Investments Limited (the "**Company**") announces the unaudited consolidated results of the Company and its subsidiaries (the "**Group**") for the six months ended 30 June 2016 as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

| | | Six months ended 30 June | |
|---|---|---|---|
| | | **2016** | 2015 |
| | | ***(unaudited)*** | *(unaudited)* |
| | *NOTES* | ***US$*** | *US$* |
| Change in fair value of financial assets designated at fair value through profit or loss | | **(55,467,811)** | 70,667,770 |
| Investment income | *3* | **7,451,806** | 19,552,021 |
| Other gains | | **293,565** | 330,706 |
| Administrative expenses | | **(6,090,935)** | (6,084,344) |
| (Loss) profit before taxation | *5* | **(53,813,375)** | 84,466,153 |
| Taxation | *6* | **14,880,137** | (18,015,667) |
| (Loss) profit for the period | | **(38,933,238)** | 66,450,486 |
| Other comprehensive (expense) income for the period, net of tax | | | |
| Item that will not be reclassified subsequently to profit or loss | | | |
| Exchange difference arising on translation | | **(11,880,495)** | 1,784,200 |
| Total comprehensive (expense) income for the period | | **(50,813,733)** | 68,234,686 |
| (Loss) profit for the period attributable to owners of the Company | | **(38,933,238)** | 66,450,486 |
| Total comprehensive (expense) income for the period attributable to owners of the Company | | **(50,813,733)** | 68,234,686 |
| Basic and diluted (loss) earnings per share | *7* | **(0.256)** | 0.436 |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

| | NOTE | **30 June 2016** *(unaudited)* *US$* | 31 December 2015 *(audited)* *US$* |
|---|---|---|---|
| Non-current asset | | | |
| Financial assets designated at fair value through profit or loss | | **314,515,176** | 368,023,740 |
| Current assets | | | |
| Financial assets designated at fair value through profit or loss | | **335,694,632** | 345,611,290 |
| Other receivables | | **483,990** | 12,714,768 |
| Bank balances and cash | | **55,462,514** | 53,916,743 |
| | | **391,641,136** | 412,242,801 |
| Current liabilities | | | |
| Other payables | | **27,269,498** | 29,601,603 |
| Dividend payable | | **22,849,952** | - |
| Taxation payable | | **310,571** | 3,894,363 |
| | | **50,430,021** | 33,495,966 |
| Net current assets | | **341,211,115** | 378,746,835 |
| Total assets less current liabilities | | **655,726,291** | 746,770,575 |
| Non-current liabilities | | | |
| Financial liabilities designated at fair value through profit or loss | | **1,034,061** | 1,376,377 |
| Deferred taxation | | **93,028,417** | 110,066,700 |
| | | **94,062,478** | 111,443,077 |
| **Net assets** | | **561,663,813** | 635,327,498 |
| **Capital and reserves** | | | |
| Share capital | | **139,348,785** | 139,348,785 |
| Reserves | *9* | **85,788,467** | 97,622,992 |
| Retained profits | *9* | **336,526,561** | 398,355,721 |
| **Equity attributable to owners of the Company** | | **561,663,813** | 635,327,498 |
| **Net asset value per share** | *8* | **3.687** | 4.171 |

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

*FOR THE SIX MONTHS ENDED 30 JUNE 2016*

### 1. BASIS OF PREPARATION

The condensed consolidated financial information has been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

The financial information relating to the year ended 31 December 2015 that is included in this results announcement as comparative information does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements is as follows:

The Company has delivered the financial statements for the year ended 31 December 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

The Company's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

### 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial information has been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate. Historical cost is generally based on the fair value of the consideration given in exchange for assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in this condensed consolidated financial information is determined on such a basis.

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

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial information:

| | |
|---|---|
| Amendments to HKFRS 11 | Accounting for acquisitions of interests in joint operations |
| 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 HKFRS 10, HKFRS 12 and HKAS 28 | Investment entities: Applying the consolidation exception |
| Amendments to HKFRSs | Annual improvements to HKFRSs 2012 – 2014 Cycle |

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in this condensed consolidated financial information and/or disclosures set out in this condensed consolidated financial information.

## 3. INVESTMENT INCOME

Investment income represents the income received and receivable on investments during the period as follows:

| | **Six months ended 30 June** | |
|---|---|---|
| | **2016** | 2015 |
| | ***(unaudited)*** | *(unaudited)* |
| | ***US$*** | *US$* |
| Interest income | **199,127** | 1,422,436 |
| Dividend income on financial assets designated at fair value through profit or loss ("**FVTPL**") | **7,252,679** | 18,129,585 |
| Total | **7,451,806** | 19,552,021 |

## 4. SEGMENTAL INFORMATION

The Group's reportable segments, based on information reported to the executive management for the purposes of resources allocation and performance assessment (since the size of investments in information technology, energy and resources, agriculture and education activities is not significant, these investments are aggregated and reported as "Others"), are as follows:

(a) Financial services: investees engaged in financial services activities.
(b) Culture and media: investees engaged in culture and media activities.
(c) Manufacturing: investees engaged in manufacturing of products activities.
(d) Medical and pharmaceutical: investees engaged in medical and pharmaceutical activities.
(e) Others: investees engaged in information technology, energy and resources, agriculture and education activities.

Information regarding the above segments is reported below and comparative figures have been restated to conform to the current period's presentation:

The following is an analysis of the Group's reportable and operating segments for the period under review.

## For the six months ended 30 June 2016

| | Financial services *US$* | Culture and media *US$* | Manufacturing *US$* | Medical and pharmaceutical *US$* | Others *US$* | Total *US$* |
|---|---|---|---|---|---|---|
| Change in investment value | **(29,193,433)** | **(12,744,280)** | **5,758,138** | **(12,341,051)** | **(6,947,185)** | **(55,467,811)** |
| Dividend income on financial assets designated at FVTPL | **6,717,110** | **-** | **-** | **535,569** | **-** | **7,252,679** |
| Other gains | **-** | **293,565** | **-** | **-** | **-** | **293,565** |
| Segment (loss) profit | **(22,476,323)** | **(12,450,715)** | **5,758,138** | **(11,805,482)** | **(6,947,185)** | **(47,921,567)** |
| **Unallocated:** | | | | | | |
| - Administrative expenses | | | | | | **(6,090,935)** |
| - Interest income on bank deposits | | | | | | **199,127** |
| Loss before taxation | | | | | | **(53,813,375)** |

## For the six months ended 30 June 2015 (restated)

| | Financial services *US$* | Culture and media *US$* | Manufacturing *US$* | Medical and pharmaceutical *US$* | Others *US$* | Total *US$* |
|---|---|---|---|---|---|---|
| Change in investment value | 57,180,751 | 14,485,651 | (1,439,253) | 1,466,592 | (1,025,971) | 70,667,770 |
| Dividend income on financial assets designated at FVTPL | 16,461,863 | 615,713 | 691,794 | 360,215 | - | 18,129,585 |
| Other gains | - | 296,373 | - | - | - | 296,373 |
| Segment profit (loss) | 73,642,614 | 15,397,737 | (747,459) | 1,826,807 | (1,025,971) | 89,093,728 |
| Unallocated: | | | | | | |
| - Administrative expenses | | | | | | (6,084,344) |
| - Interest income on bank deposits | | | | | | 1,422,436 |
| - Other gains | | | | | | 34,333 |
| Profit before taxation | | | | | | 84,466,153 |

Segment (loss) profit represents the change in investment value (including change in fair value of financial assets designated at FVTPL) and the corresponding dividend income and other gains earned by each segment without allocation of central administrative expenses, fees to the Investment Manager, interest income on bank deposits and certain other gains. This is the measure reported to the executive management for the purposes of resources allocation and performance assessment. No separate segment revenue (i.e. investment income) is disclosed as it had been presented in the computation of segment (loss) profit.

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

| | **30 June 2016** *(unaudited)* *US$* | 31 December 2015 *(audited)* *US$* (restated) |
|---|---|---|
| **Segment assets** | | |
| Financial services | **522,390,663** | 555,644,315 |
| Culture and media | **76,693,967** | 103,966,125 |
| Manufacturing | **11,267,946** | 5,711,778 |
| Medical and pharmaceutical | **25,598,685** | 38,561,045 |
| Others | **14,681,642** | 21,984,333 |
| Total segment assets | **650,632,903** | 725,867,596 |
| Unallocated | **55,523,409** | 54,398,945 |
| Consolidated assets | **706,156,312** | 780,266,541 |
| **Segment liabilities** | | |
| Financial services | **98,264** | 111,083 |
| Culture and media | **471,613** | 657,979 |
| Manufacturing | **130,571** | 72,874 |
| Medical and pharmaceutical | **140,354** | 211,425 |
| Others | **4,511,769** | 4,702,236 |
| Total segment liabilities | **5,352,571** | 5,755,597 |
| Unallocated | **139,139,928** | 139,183,446 |
| Consolidated liabilities | **144,492,499** | 144,939,043 |

For the purposes of monitoring segment performance and allocating resources between segments:

All assets are allocated to reportable segments other than certain other receivables, bank balances and cash, and all liabilities are allocated to reportable segments other than certain other payables, dividend payable, current and deferred tax liabilities.

During the period, the Group was principally involved in investing in companies with significant business involvement in the People's Republic of China ("**PRC**"), and hence no geographical information in relation to the investing activities is presented.

## 5. (LOSS) PROFIT BEFORE TAXATION

| | Six months ended 30 June | |
|---|---|---|
| | **2016** | 2015 |
| | ***(unaudited)*** | *(unaudited)* |
| | ***US$*** | *US$* |
| (Loss) profit before taxation has been arrived at after charging (crediting): | | |
| Investment Manager's management fee | **5,551,164** | 5,862,346 |
| Net foreign exchange loss (gain) | **15,069** | (34,333) |

## 6. TAXATION

| | Six months ended 30 June | |
|---|---|---|
| | **2016** | 2015 |
| | ***(unaudited)*** | *(unaudited)* |
| | ***US$*** | *US$* |
| The tax credit (charge) for the period comprises: | | |
| Current tax: | | |
| PRC Enterprise Income Tax | **(11,911)** | (535,771) |
| Underprovision in prior period | **(46,916)** | (33,567) |
| Deferred taxation | | |
| Current period | **14,938,964** | (17,446,329) |
| Total | **14,880,137** | (18,015,667) |

No provision for taxation in Hong Kong has been made for the period as the Group's income neither arises in, nor is derived from, Hong Kong. PRC Enterprise Income Tax in the PRC is calculated at the rates prevailing in the relevant regions.

Under the Law of the PRC on Enterprise Income Tax, withholding tax is imposed on dividends declared in respect of profits earned by PRC subsidiaries from 1 January 2008 onwards. Deferred taxation has been provided for in the condensed consolidated financial information in respect of temporary differences attributable to retained profits of the PRC subsidiaries.

## 7. BASIC AND DILUTED (LOSS) EARNINGS PER SHARE

The calculation of the basic and diluted (loss) earnings per share is based on the following data:

| | Six months ended 30 June | |
|---|---|---|
| | **2016** | 2015 |
| | ***(unaudited)*** | *(unaudited)* |
| (Loss) profit for the purpose of basic and diluted (loss) earnings per share (US$) | **(38,933,238)** | 66,450,486 |
| Number of ordinary shares for the purpose of basic and diluted (loss) earnings per share | **152,333,013** | 152,333,013 |
| Basic and diluted (loss) earnings per share (US$) | **(0.256)** | 0.436 |

## 8. NET ASSET VALUE PER SHARE

The calculation of the net asset value per share is based on the following data:

| | **30 June 2016** | 31 December 2015 |
|---|---|---|
| | ***(unaudited)*** | *(audited)* |
| Net asset value (US$) | **561,663,813** | 635,327,498 |
| Number of ordinary shares in issue | **152,333,013** | 152,333,013 |
| Net asset value per share (US$) | **3.687** | 4.171 |

## 9. MOVEMENT IN RESERVES AND RETAINED PROFITS

| | Six months ended 30 June | |
|---|---|---|
| | **2016** | 2015 |
| | ***(unaudited)*** | *(unaudited)* |
| | ***US$*** | *US$* |
| At 1 January | **495,978,713** | 500,779,398 |
| Change in reserves | **(11,834,525)** | 1,784,200 |
| Transfer from retained profits to general reserve | **(45,970)** | - |
| (Loss) profit for the period | **(38,933,238)** | 66,450,486 |
| Dividends declared for the last year | **(22,849,952)** | (13,709,971) |
| At 30 June | **422,315,028** | 555,304,113 |

## REVIEW AND PROSPECTS

### *OVERALL PERFORMANCE*

The Group recorded a loss attributable to equity shareholders of US$38.93 million for the six months ended 30 June 2016, compared to a profit attributable to equity shareholders of US$66.45 million for the same period last year. The reversal was mainly due to a decline in overall fair value of the financial assets designated at FVTPL (the "**Financial Assets**"), resulting in the recognition of a loss, rather than a gain as in the prior period. As of 30 June 2016, the net assets of the Group (net of the dividend of US$22.85 million for 2015) were US$561.66 million (31 December 2015: US$635.33 million), with a net asset value per share of US$3.687 (31 December 2015: US$4.171).

For the period, the loss on change in fair value of the Financial Assets was US$55.47 million, as compared to a gain on change in fair value of US$70.67 million for the same period last year. The fair value of listed and unlisted investments recorded losses of US$31.36 million and US$24.11 million, respectively.

Total investment income for the period decreased by 61.89% to US$7.45 million (six months ended 30 June 2015: US$19.55 million) as compared to the same period last year, due primarily to a decrease in dividend income from investments, as well as to a decrease in interest income.

### *MATERIAL ACQUISITIONS AND DISPOSALS OF INVESTMENTS*

In the first half of 2016, the Group continued to seek out and rigorously evaluate investment opportunities. The Group made additional investments in an existing financial services project and also entered into a tourism investment project during this period.

During the period of February to April 2016, the Group further acquired 24.86 million H shares of China Reinsurance (Group) Corporation at an average price of HK$2.01 per share on the Hong Kong secondary stock market, for an aggregate invested amount of HK$49.90 million (equivalent to US$6.44 million).

On 25 April 2016, the Group entered into a joint venture agreement with major joint venture partners, including Shanghai-listed Yunnan Metropolitan Real Estate Development Co., Ltd. and Yunnan Port and Channel Investment Construction Co., Ltd., for the establishment of Yunnan Jinlanmei International Travel Investment Development Co., Ltd. ("**Jinlanmei Travel**"). The Group agreed to contribute a total of RMB20 million in cash for a 20% stake in the venture. Based on the current business plan for establishing Jinlanmei Travel, the Group expects to make its first capital contribution of RMB10 million in the third quarter of 2016. Jinlanmei Travel will be engaged in the operation of tourism and shipping in a comprehensive way within the territorial waters of the Lancang River-Mekong River.

During the period, the Group did not directly dispose of any of its interests in listed or unlisted investment projects.

## *LIQUIDITY, FINANCIAL RESOURCES, GEARING AND CAPITAL COMMITMENTS*

The Group's cash on hand increased by 2.86%, from US$53.92 million at the end of last year to US$55.46 million (representing 7.85% of the Group's total assets) as of 30 June 2016, due primarily to the receipt of distribution income from projects and to the return of a portion of the Group's capital investment in a project during the period.

As of 30 June 2016, the Group had no outstanding bank loans (31 December 2015: Nil).

As of 30 June 2016, the Group had capital commitments of US$18.30 million (31 December 2015: US$15.61 million) for investments that were approved but not yet provided for in the financial statements – specifically, for future payments related to investments in China Media Creative Industry Private Equity (Shanghai) Centre (Limited Partnership), Guangxi Xinhua Preschool Education Investment Corporation Limited and Jinlanmei Travel.

## *EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND RELATED HEDGES*

Most of the Group's investments are located in China where the official currency is Renminbi ("**RMB**"). For the first half of 2016, the conversion rate of RMB against the US dollar recorded a decrease of 2.12%, which had an unfavourable impact on the Group since it holds a considerable amount of assets denominated in RMB. The Group currently does not have any foreign currency hedging policy. However, the Group continues to monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

## *EMPLOYEES*

Other than a qualified accountant whose remuneration package is determined and borne by the Investment Manager, the Group has no employees. The Investment Manager handles the portfolio and day-to-day administration of the Group.

## *THE PORTFOLIO*

As of 30 June 2016, the Group's total investments amounted to US$650.21 million. The sector distribution of investments was US$521.97 million in financial services (representing 73.92% of the Group's total assets), US$76.69 million in culture and media (10.86%), US$11.27 million in manufacturing (1.60%), and US$40.28 million in other ventures (including energy and resources, information technology, agriculture, medical and pharmaceutical and education) (5.70%). In addition, cash on hand was US$55.46 million, representing 7.85% of the Group's total assets as of 30 June 2016.

***PROSPECTS***

In the first half of 2016, under the pressure of global economic developments entering into a transformational period and economic development in China moving into the "New Normal" phase, the Central Government, with economic development as its main focus, insisted on a steady advance of measures on stabilising growth, adjusting structures and improving citizen welfare. It also continued to perfect its macro-economic policies and placed emphasis on leading the new normal of economic development with a new development philosophy, innovating in its approach to macro regulation and control, and actively promoting supply-side structural reforms while moderately expanding aggregate demand, so as to eventually facilitate positive changes in economic conditions. As announced by the 2016 working report of the Central Government, the economic growth target was set at 6.5%-7% for 2016, which is the first time that a Gross Domestic Product (GDP) target range has been set in China since 1995. Then, China's GDP in the first half of 2016 increased by 6.7% as compared to the same period in 2015. According to data recently released by the National Bureau of Statistics, the Purchasing Manager Index (PMI) of China's manufacturing industry was 50.0% in June 2016, down slightly by 0.1 percentage points from May and balancing on the threshold that separates contraction from expansion. In general, it is still showing signs of stable production and further optimisation of economic structures. In particular, the new order index was 50.5%, down by 0.2 percentage points from May, however, still steadily maintained a position above the threshold for four consecutive months. This shows that the market demand of the manufacturing industry is continuing to expand, but with a moderate slowdown in growth rate. In view of the relatively slow growth of China's GDP in 2016, it is expected that the operating results of the investment projects (mainly operating in China) held by the Group will be impacted to a certain degree.

Looking forward to the second half of 2016, the world economy will continue to recover, but at a slow pace, and it may become increasingly fragile, resulting in greater uncertainty in economies around the world. The growth momentum of developed economies will be weaker, while the emerging market economies and low-income countries will continue to face headwinds for growth. For China, stability is still the key note for the domestic economy and market and it may be difficult for the domestic economy to turn around in the near term, due mainly to deep-rooted conflicts becoming intertwined and increasingly prominent, resulting from the engines of domestic economic growth gearing down, the labour pains of structural adjustments and the uneven transition from old to new drivers. Meanwhile, new sources of instability and uncertainty continued to emerge. Amid the existing economic environment in China, it is expected that the Central Government will continue its policies of growth stabilisation in the near term, and will adopt enhanced policies and measures to increase aggregate demand in the economy, so as to facilitate steady economic growth and to alleviate downward pressure on the economy to a certain extent. It will also provide more time for structural reform and for the fostering of new growth drivers. Given that the Central Government is stepping up its adjustments to economic structure, new business forms and models will thrive and develop rapidly. New economic sectors will receive greater support from government policies and more attention from the capital market, and it is here that the Group will continue to seek out the best opportunities for investment.

In an environment where challenges and opportunities co-exist, the Group will continue to make every effort to identify new investment projects, while maintaining an emphasis on investment opportunities in several sectors, including culture and media, healthcare, consumer goods (with particular focus on consumer-oriented projects in second and third tier cities), advanced manufacturing, non-traditional financial services, new energy, education, "Internet plus" and China's strategic industries under the "One Belt and One Road" Initiatives, and to seek to optimise its mix of investments in order to create greater shareholder value.

## INTERIM DIVIDEND

The Directors have resolved not to declare an interim dividend for the six months ended 30 June 2016 (six months ended 30 June 2015: Nil).

A dividend payment of US$22,849,952 (2014: US$13,709,971), being a final dividend of US$0.06 per share (2014: US$0.06) and a special dividend of US$0.09 per share (2014: US$0.03), totaling US$0.15 per share (2014: US$0.09), for the year ended 31 December 2015 was approved by the shareholders on 19 May 2016 and was subsequently paid by the Company in cash on 28 July 2016.

## PURCHASE, SALE OR REDEMPTION OF SHARES OF THE COMPANY

During the six months ended 30 June 2016, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares.

## CORPORATE GOVERNANCE

The condensed consolidated financial information is unaudited, but has been reviewed by Deloitte Touche Tohmatsu, in accordance with Hong Kong Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the HKICPA, whose independent review report is included in the interim report to be sent to shareholders. The condensed consolidated financial information has been reviewed by the Company's Audit Committee.

The Company has complied with all the code provisions of Corporate Governance Code contained in Appendix 14 to the Listing Rules throughout the reporting period except as stated below:

The Stock Exchange of Hong Kong Limited has granted a waiver to the Company for establishment of remuneration committee on condition that the Executive Directors and senior management of the Company will not receive any Directors' fee or emolument from the Company. Thus, no remuneration committee has been established by the Company.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted codes of conduct regarding securities transactions by Directors set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix 10 to the Listing Rules. On specific enquiries made, all Directors have confirmed that, in respect of the reporting period, they have complied with the required standard set out in the Model Code regarding Directors' securities transactions.

By Order of the Board
**HONG Xiaoyuan**
*Chairman*

Hong Kong, 29 August 2016

*As at the date hereof, the Executive Directors of the Company are Mr. HONG Xiaoyuan, Mr. LI Yinquan, Mr. CHU Lap Lik, Victor, Mr. WANG Xiaoding and Mr. TSE Yue Kit; the Non-executive Director is Mr. KE Shifeng; and the Independent Non-executive Directors are Mr. LIU Baojie, Mr. ZHU Li, Mr. TSANG Wah Kwong and Dr. LI Fang. In addition, Ms. KAN Ka Yee, Elizabeth is the Alternate Director to Mr. CHU Lap Lik, Victor.*