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鈞豪集團有限公司*

GRAND FIELD GROUP HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 115)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017

The board (the “Board”) of directors (the “Directors”) of Grand Field Group Holdings Limited (the “Company”) hereby announces the consolidated results of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2017, together with the comparative figures for year 2016 are as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2017

	<i>Notes</i>	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Revenue	<i>3</i>	178,575	6,257
Cost of revenue		<u>(169,868)</u>	<u>(4,189)</u>
Gross profit		8,707	2,068
Other revenue	<i>3</i>	54	632
Other gains and losses	<i>3</i>	330,988	150,371
Selling and distribution costs		(461)	(850)
Administrative expenses		<u>(28,230)</u>	<u>(41,509)</u>
Profit from operations		311,058	110,712
Finance cost	<i>4</i>	(6,111)	(2,006)
Fair value gain on convertible bonds through profit or loss		<u>3,567</u>	<u>–</u>

* *For identification purpose only*

	<i>Notes</i>	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Profit before tax		308,514	108,706
Income tax expense	<i>5</i>	<u>(76,552)</u>	<u>(37,534)</u>
Profit for the year	<i>7</i>	<u>231,962</u>	<u>71,172</u>
Attributable to:			
Owners of the Company		127,979	19,166
Non-controlling interests		<u>103,983</u>	<u>52,006</u>
		<u>231,962</u>	<u>71,172</u>
Earnings per share			
	<i>8</i>		
Basic (<i>HK cents per share</i>)		<u>9.54</u>	<u>1.97</u>
Diluted (<i>HK cents per share</i>)		<u>7.10</u>	<u>1.97</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2017

	Notes	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Profit for the year	7	<u>231,962</u>	<u>71,172</u>
Other comprehensive income/(loss):			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		<u>125,608</u>	<u>(92,348)</u>
Total comprehensive income/(loss) for the year		<u><u>357,570</u></u>	<u><u>(21,176)</u></u>
Attributable to:			
Owners of the Company		200,776	(29,604)
Non-controlling interests		<u>156,794</u>	<u>8,428</u>
		<u><u>357,570</u></u>	<u><u>(21,176)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	<i>Notes</i>	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment		14,832	13,844
Investment properties	9	2,266,233	1,472,252
Prepaid premium for land leases		13,627	12,392
Properties for sale under development		480	556
Intangible asset		15,626	–
Deferred tax assets		11,150	7,414
Goodwill		36,773	–
		<hr/> 2,358,721	<hr/> 1,506,458
Current assets			
Inventories		–	501
Trade receivables		4,134	–
Properties for sale under development		142,301	118,655
Properties for sale		32,342	28,361
Other receivables, deposits and prepayments		65,249	13,250
Amount due from a director		522	81
Tax recoverable		91	85
Cash and cash equivalents		5,902	13,439
		<hr/> 250,541	<hr/> 174,372
Current liabilities			
Trade and other payables	10	141,092	55,294
Interest-bearing borrowings	11	48,420	10,913
Convertible bonds		133,433	–
Obligation under finance lease due within one year		–	61
Amounts due to directors		859	824
Amount due to a shareholder		120	111
Tax payable		206	217
		<hr/> 324,130	<hr/> 67,420
Net current (liabilities)/assets		<hr/> (73,589)	<hr/> 106,952
Total assets less current liabilities		<hr/> 2,285,132	<hr/> 1,613,410

	<i>Notes</i>	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Non-current liabilities			
Deferred tax liabilities		<u>470,418</u>	<u>317,163</u>
NET ASSETS		<u>1,814,714</u>	<u>1,296,247</u>
Capital and reserves			
Share capital	<i>14</i>	151,905	103,285
Reserves		<u>848,678</u>	<u>581,027</u>
Equity attributable to owners of the Company		1,000,583	684,312
Non-controlling interests		<u>814,131</u>	<u>611,935</u>
TOTAL EQUITY		<u>1,814,714</u>	<u>1,296,247</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2017

1. GENERAL INFORMATION

Grand Field Group Holdings Limited (the “Company”) is a company incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Company in Hong Kong is located at Unit 1004B, 10th Floor, Tower 5, China Hong Kong City, 33 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong.

The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the “Group”) are investment holding, property development, property investment and general trading.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2017. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

3. REVENUE, OTHER REVENUE AND OTHER GAINS AND LOSSES

The principal activities of the Group are property development, property investment and general trading.

Revenue represents the aggregate of net amounts received and receivable for completed properties for sale and goods sold by the Group to outside customers and property rental income for the years ended, and is analysed as follows:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Revenue		
Sales of properties	174,834	1,412
Property rental	3,671	1,809
General trading	70	3,036
	<u>178,575</u>	<u>6,257</u>
Other revenue		
Interest income on bank deposits	37	28
Net foreign exchange gain	–	600
Sundry income	17	4
	<u>54</u>	<u>632</u>
Other gains and losses		
Fair value gain on investment properties	330,540	150,371
Gain on disposal of investment properties	460	–
Loss on disposal of property, plant and equipment	(12)	–
	<u>330,988</u>	<u>150,371</u>

4. FINANCE COST

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Interest expenses on borrowings wholly repayable within five years		
– other borrowings	6,111	1,999
Interest on finance lease	<u>–</u>	<u>7</u>
	<u>6,111</u>	<u>2,006</u>

5. INCOME TAX EXPENSE

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Current tax		
Enterprise Income Tax in the PRC	27	2
Land Appreciation Tax in the PRC	–	77
Deferred tax	<u>76,525</u>	<u>37,455</u>
	<u>76,552</u>	<u>37,534</u>

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the subsidiaries of the Company in the PRC is 25% for both years.

Under a notice issued on 6 September 2010 by Local Tax Bureau of Longgang District, Shenzhen, PRC Land Appreciation Tax for a subsidiary incorporated in Shenzhen, the PRC, in which property development projects in Shenzhen, is calculated at rates ranging from 5% to 10% (2016: 5% to 10%) of the sales revenue on the respective property development projects.

No provision for Hong Kong Profits Tax is required since the Group’s income neither arises, nor is derived, from Hong Kong in both years. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

The reconciliation between the income tax and profit before tax multiplied by the Hong Kong profits tax rate applicable to profit in the countries concerned is as follows:

	2017	2016
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit before tax	<u>308,514</u>	<u>108,706</u>
Notional tax credit on loss before income tax, calculated at the rates applicable to profits in the countries concerned	76,365	30,138
Effect of different tax calculation basis for the PRC property development projects operated by the Hong Kong subsidiaries	(116)	(10)
Tax effect on non-deductible expenses	25	46
Tax effect on non-taxable income	(6)	–
Tax effect on tax losses not recognised	284	7,283
Land Appreciation Tax	<u>–</u>	<u>77</u>
	<u>76,552</u>	<u>37,534</u>

6. SEGMENT REPORTING

Information reported to the executive directors and senior management, being the chief operating decision maker, the purposes of resource allocation and assessment of segment performance focus on types of goods or services delivered or provided. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reporting segments of the Group. Specifically, the Group's reportable operating segments under HKFRS 8 are: (i) property development, (ii) property investment, (iii) general trading.

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

	General trading		Property development		Property investment		Total	
	2017 HK\$'000	2016 HK\$'000	2017 HK\$'000	2016 HK\$'000	2017 HK\$'000	2016 HK\$'000	2017 HK\$'000	2016 HK\$'000
Revenue								
External sales	<u>70</u>	<u>3,036</u>	<u>174,834</u>	<u>1,412</u>	<u>3,671</u>	<u>1,809</u>	<u>178,575</u>	<u>6,257</u>
Segment result	(450)	(386)	5,496	659	334,671	152,165	339,717	152,438
Interest income on bank deposits							37	28
Unallocated income and gains, net							6	604
Unallocated expenses							(28,702)	(42,358)
Profit from operations							311,058	110,712
Finance costs							(6,111)	(2,006)
Fair value gain on convertible bonds through profit or loss							3,567	–
Profit before tax							308,514	108,706
Income tax expense							(76,552)	(37,534)
Profit for the year							<u>231,962</u>	<u>71,172</u>

Segment result represents the (loss incurred) profit earned from each segment without allocation of certain items, mainly comprising interest income on bank deposits, loss on disposal of property, plant and equipment, depreciation, central administration costs, directors' and chief executives' salaries, finance costs and gain on settlement of convertible bonds. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

(b) **Segment assets and liabilities**

	General trading		Property development		Property investment		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment assets	-	501	193,176	167,377	2,266,233	1,472,252	2,459,409	1,640,130
Unallocated assets							149,853	40,700
							<u>2,609,262</u>	<u>1,680,830</u>
Segment liabilities	-	-	(171)	(181)	(470,418)	(317,163)	(470,589)	(317,344)
Unallocated liabilities							<u>(323,959)</u>	<u>(67,239)</u>
							<u>(794,548)</u>	<u>(384,583)</u>

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

- all assets are allocated to operating segments other than unallocated assets (mainly comprising property, plant and equipment, other receivables, deposits and prepayments, amount due from a director and cash and cash equivalents); and
- all liabilities are allocated to operating segments other than unallocated liabilities (mainly comprising certain trade and other payables, interest-bearing borrowings, obligation under finance lease, amount(s) due to directors and a shareholder).

(c) **Other segment information**

	General trading		Property development		Property investment		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Amounts included in the measure of segment profit or loss or segment assets:								
Amortisation of prepaid premium for land leases	-	-	(345)	(334)	-	-	(345)	(334)
Fair value gain on investment properties	-	-	-	-	330,540	150,371	330,540	150,371
Loss on disposal of property, plant and equipment	-	-	(12)	-	-	-	(12)	-
Unallocated:								
Depreciation	-	-	-	-	-	-	(257)	(1,161)
Capital expenditure	-	-	-	-	-	-	143	180
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>143</u>	<u>180</u>

(d) **Geographic information**

Since the Group principally operates in the PRC with revenue and results derived mainly from its operations in the PRC and assets are located in the PRC, no geographical information is used by the chief operating decision maker for further evaluated.

(e) **Information about major customers**

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

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
General trading		
Customer A	–	1,574
Customer B	–	876
	<u>–</u>	<u>2,450</u>

7. **PROFIT FOR THE YEAR**

The Group's profit for the year is stated after charging/(crediting) the following:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Cost of sales	169,868	4,189
Amortisation of prepaid premium for land leases	345	334
Amortisation of intangible assets	792	–
Depreciation	257	1,161
Staff costs (including Directors' remuneration):		
– salaries, bonuses and allowances	7,076	6,479
– equity-settled share option arrangements	–	19,070
– retirement benefits scheme contributions	321	276
	7,397	25,825
Auditor's remuneration	617	742
Net foreign exchange loss/(gain)	263	(600)
Operating lease charges on land and buildings	885	811

8. EARNINGS PER SHARE

Basic earnings per share

Basic earnings per share is calculated based on the profit for the year attributable to the owners of the Company of approximately HK\$127,979,000 (2016: HK\$19,166,000) and on the weighted average number of approximately 1,340,973,000 ordinary shares (2016: 970,984,000) in issue during the year.

Diluted earnings per share

The calculation of diluted earnings per share is based on the profit for the year attributable to the owners of the Company of HK\$124,412,000 (2016: HK\$19,166,000) and on the weighted average number of approximately 1,752,853,000 ordinary shares (2016: 972,586,000), calculated as follows:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Earnings		
Earnings for the purpose of calculating basic earnings per share	127,979	19,166
Fair value gain on convertible bonds through profit or loss	<u>(3,567)</u>	<u>–</u>
Earnings for the purpose of calculating diluted earnings per share	<u><u>124,412</u></u>	<u><u>19,166</u></u>
	2017 <i>'000</i>	2016 <i>'000</i>
Number of shares		
Weighted average number of ordinary shares at the end of the year	1,340,973	970,984
Effect of deemed issue of shares under the Company's share option scheme for nil consideration	–	1,602
Effect of deemed issue of shares upon conversion of the Convertible Bonds	<u>411,880</u>	<u>–</u>
Weighted average number of ordinary shares (diluted) at the end of the year	<u><u>1,752,853</u></u>	<u><u>972,586</u></u>

9. INVESTMENT PROPERTIES

	Under development	Completed	Total
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Fair value			
At 1 January 2016	1,362,749	41,600	1,404,349
Additions	21,285	–	21,285
Fair value gain on investment properties	150,371	–	150,371
Exchange differences	(100,893)	(2,860)	(103,753)
	<hr/>	<hr/>	<hr/>
At 31 December 2016 and 1 January 2017	1,433,512	38,740	1,472,252
Additions	113,863	–	113,863
Acquisition of subsidiaries	221,930	–	221,930
Transfer	(230,795)	230,795	–
Disposal of completed investment properties	–	(12,717)	(12,717)
Fair value gain on investment properties	290,622	39,918	330,540
Exchange differences	121,239	19,126	140,365
	<hr/>	<hr/>	<hr/>
At 31 December 2017	<u>1,950,371</u>	<u>315,862</u>	<u>2,266,233</u>

The fair value of the Group's investment properties at 31 December 2017 has been arrived at on the basis of a valuation carried out on that date by Ravia Global Appraisal Advisory Limited (2016: Roma Appraisals Limited), an independent qualified professional valuers not connected with the Group. Ravia Global Appraisal Advisory Limited has appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The Group's investment properties have been valued by using market comparison and residual value approach, which conforms to Hong Kong Institute of Surveyors Valuation Standards on Properties.

10. TRADE AND OTHER PAYABLES

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Trade payables to building contractors	2,102	4,853
Deferred income	28,420	–
Accrued salaries and other operating expenses	15,189	7,905
Accrued interest expense	901	324
Deposits received from the sale of properties	7,509	7,180
Deposits received from the disposal of 90% interest in a property project in China	33,732	–
Rental deposits received from investment properties	36	33
Amounts payable on return of properties	6,120	5,672
Provision for compensation of a legal case	–	8,809
Other payables	47,083	20,518
	<u>141,092</u>	<u>55,294</u>

An ageing analysis of trade payables presented based on the invoice date at the end of reporting period is set out as follows:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Within 360 days past due	874	3,118
Over 360 days past due	1,228	1,735
	<u>2,102</u>	<u>4,853</u>

11. INTEREST-BEARING BORROWINGS

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Loans from independent third parties payable within 1 year or on demand		
– secured	7,118	7,413
– unsecured	<u>41,302</u>	<u>3,500</u>
	<u>48,420</u>	<u>10,913</u>

At 31 December 2017 and 2016, loan with principal amounts of RMB4,238,000 (equivalent to approximately HK\$4,896,000 (2016: HK\$4,643,000)) and RMB1,854,000 (equivalent to approximately HK\$2,222,000 (2016: HK\$2,770,000)) from an independent third party is secured by the completed properties held for sale of the Group's wholly owned subsidiary and personal guarantee by a director respectively. Interest is charged at 1.5% to 2.5% per month (2016: 1.5% to 2.5% per month) and repayable within 1 year from the drawdown date in the year 2017.

The unsecured borrowings bear interest at 10% per annum (2016: 10% per annum).

12. COMMITMENTS

(a) The Group had the following material commitments at the end of the reporting period:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Contracted but not provided for:		
Investment properties under development	647,853	683,608
Capital contribution to PRC companies	<u>194,344</u>	<u>180,144</u>
	<u>842,197</u>	<u>863,752</u>

(b) **As lessee**

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases are payable which fall due as follows:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Within one year	897	484
In the second to fifth years inclusive	<u>1,219</u>	<u>529</u>
	<u>2,116</u>	<u>1,013</u>

The Group leases four office premises under operating leases. The leases typically run for an initial period of one to five years (2016: 5 years), at the end of which period all terms are negotiated. None of the lease includes contingent rentals.

(c) **As lessor**

Property rental income earned during the year was approximately HK\$3,671,000 (2016: HK\$1,809,000).

At the end of the reporting period, the Group had contracted with tenants for the following minimum lease payments:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Within one year	1,643	1,811
In the second to fifth years inclusive	5,545	5,896
Over fifth years	<u>2,748</u>	<u>4,471</u>
	<u>9,936</u>	<u>12,178</u>

The Group leases its investment properties (Note 9) under operating lease arrangements which run for an initial period of one to twelve years (2016: one to twelve years), with an option to renew the lease terms at the expiry date or at dates as mutually agreed between the Group and the respective tenants. The properties are expected to generate rental yields of 1.16% (2016: 2.69%) on an ongoing basis.

13. DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the year ended 31 December 2017 (2016:Nil).

14. SHARE CAPITAL

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Authorised:		
5,000,000,000 Ordinary shares of HK\$0.1 each (2016: 5,000,000,000 Ordinary shares of HK\$0.1 each)	<u>500,000</u>	<u>500,000</u>
Issued and fully paid:		
1,519,046,088 Ordinary shares of HK\$0.1 each (2016: 1,032,849,097 Ordinary shares of HK\$0.1 each)	<u>151,905</u>	<u>103,285</u>

A summary of the movements in the issued share capital of the Company is as follows:

	Number of shares '000	Amount <i>HK\$'000</i>
At 1 January 2016	957,069	95,707
Placing of shares (<i>Note (i)</i>)	62,952	6,295
Issue of shares for settlement of professional fee (<i>Note (ii)</i>)	<u>12,828</u>	<u>1,283</u>
As at 31 December 2016	1,032,849	103,285
Placing of shares (<i>Note (i)</i>)	248,651	24,865
Issue of shares for settlement of professional fee (<i>Note (ii)</i>)	27,546	2,755
Issue of share for the Acquisition (<i>Note (iii)</i>)	<u>210,000</u>	<u>21,000</u>
As at 31 December 2017	<u>1,519,046</u>	<u>151,905</u>

Notes:

(i) Placing of shares

On 30 November 2016, the Company issued and allotted 62,952,645 ordinary shares of HK\$0.1 each to the subscribers at a price of HK\$0.2154 per share and the premium on the issue of shares, amounting to approximately HK\$7,265,000 was credited to the Company's share premium account.

On 19 January 2017 and 21 August 2017, the Company issued and allotted 90,468,877 and 158,181,818 ordinary shares of HK\$0.1 each to the subscribers at a price of HK\$0.27 and HK\$0.22 per share and the premium on the issue of shares, amounting to approximately HK\$15,380,000 and HK\$18,982,000 were credited to the Company's share premium account respectively.

(ii) Issue of shares for settlement of professional fee

On 6 May 2016, the Company issued and allotted 12,828,125 ordinary shares of HK\$0.1 each to Mr. Wong Vai Nang, sole proprietor of Simon Ho & Co., Solicitors for settlement of the fee for legal advisory services provided. The premium on the issue of the above mentioned number of shares amounting to approximately HK\$3,079,000 was credited to the Company's share premium account.

On 19 January 2017 and 9 May 2017, the Company issued and allotted 12,962,963 and 14,583,333 ordinary shares as to Mr. Wong Vai Nang, sole proprietor of Simon Ho & Co., Solicitors for settlement of the fee for legal advisory services provided. The premium on the issue of the above mentioned number of shares amounting to approximately HK\$4,163,000 was credited to the Company's share premium account

(iii) Issue of shares for the Acquisition

On 28 April 2017, the Company issued and allotted 210,000,000 shares as to settle part of the consideration for the Acquisition. The premium on the issue of shares amounting to approximately HK\$28,350,000 was credited to the Company's share premium account.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

15. LITIGATIONS AND CONTINGENT LIABILITIES

- (i) Under the case No.(2014) Shen Luo Fa Min Er Chu Zi De No.5103, Shenzhen City YiZhou Hotel Management Co. Limited ("Shenzhen YiZhou") as the plaintiff claims against Grand Field Land Development (Shenzhen) Company Limited ("GF Land") as the defendant for the right of replacement of Shenzhen Liangzi to claim against GF Land for the sum allegedly owed to Shenzhen Liangzi by GF Land in order to satisfy a judgment granted by a Court in China in favour of Shenzhen YiZhou as the plaintiff therein against Shenzhen Liangzi as the defendant therein which ordered Shenzhen Liangzi to pay Shenzhen YiZhou a sum of RMB10,280,000. This claim by the plaintiff has been dismissed and the plaintiff appealed to the People's Intermediate Court of Shenzhen. However, Shenzhen YiZhou has withdrawn its claim which has been approved by the said court and the case has been concluded.

In the opinion of the Directors, the said proceedings have no material impact on the operations of the Group and/or have no financial impact on the Group.

- (ii) A summons was issued and filed with Lo Hu Court against GF Land Development (Shenzhen) in which Shenzhen YiZhou as plaintiff claims against GF Land Development (Shenzhen) as defendant for a total sum of RMB13,380,000 and interests thereon. By a civil judgment of Lo Hu Court dated 21st October, 2014, it was ordered, inter alia, that the interest of GF Land Development (Shenzhen) in Shenzhen Land was distrained up to the amount of RMB12,717,600 pending the outcome of the Summons.

By a civil judgment of Lo Hu Court dated 5th December, 2014 Shenzhen Land formerly distrained had been released after the provision of the properties owned by Shin Fat Hong Limited, a subsidiary of the Company as guaranty. The amount to be distrained remains RMB12,717,600 pending the outcome of the Summons. After the said release the registered title of the Shenzhen Land has been successfully transferred into Shenzhen Zongke.

Shenzhen YiZhou as the plaintiff therein has withdrawn its claims which has been approved by the court and the case has been concluded.

In the opinion of the Directors, the said proceedings have no material impact on the operations of the Group and/or have no financial impact on the Group.

- (iii) Under the case no.(2015) Shen Long Fa Xing Chu Zi Di No.238, Shenzhen City Liangzi Jingshan Investment Management Co., Limited (“Shenzhen Liangzi”) initiated an administrative action to Shenzhen Longgang District People’s Court against Shenzhen Real Estate Ownership Registration Centre with Grand Field Group Limited and Grand Field Land Development (Shenzhen) Company Limited as the third parties in these proceedings. These proceedings had been tried and Shenzhen Liangzi’s claims were dismissed. Shenzhen Liangzi appealed and it was ordered by the Shenzhen City Intermediate People’s Court that the said decision was dismissed and that there being re-trial by the Longgang Court. However, due to the administrative adjustment of Shenzhen City Court, it was adjudged that these proceedings should be dealt with by the People’s Court of Yantian District of Shenzhen City. However, Shenzhen Liangzi has afterward withdrawn its claim herein which has been approved by the said court. The case has therefore been concluded.

In the opinion of the Directors, the said proceedings have no material impact on the operations of the Group and/or have no financial impact on the Group.

- (iv) Under the case no.(2015) Shen Long Fa Xing Chu Zi Di No.239, Shenzhen Liangzi initiated an administrative action to Shenzhen Longgang District People's Court against Shenzhen Real Estate Ownership Registration Centre with Grand Field Group Limited. Grand Field Land Development (Shenzhen) Company Limited and Shenzhen Zongke as the third parties in these proceedings. By the Administrative Judgment dated 23rd February, 2016 Shenzhen Liangzi's claims were dismissed. Shenzhen Liangzi appealed and it was ordered by the Shenzhen City Intermediate People's Court that the said decision was dismissed and that there being re-trial by the Longgang Court. However, due to the administrative adjustment of Shenzhen City Court, it was adjudged that these proceedings should be dealt with by the People's Court of Yantian District of Shenzhen City. However, Shenzhen Liangzi has withdrawn its claim herein which has been approved by the said court and the case has been concluded.

In the opinion of the Directors, the said proceedings have no material impact on the operations of the Group and/or have no financial impact on the Group.

- (v) A writ of summons was issued at the intermediate People's court of Shenzhen City on 19th April, 2016 in which Shenzhen Liangzi as plaintiff claims against Shenzhen Hongteng Technology Company Limited (formerly known as Shenzhen Grand Field Computer Software Development Limited ("Grand Field Computer")), Shenzhen Zongke, Grand Field Group Limited, Grand Field Land Development (Shenzhen), Guangdong Province Hongling Group Company Limited as defendants and Shenzhen Real Estate Ownership Registration Centre and Shenzhen City Urban Plaintiff, Land and Resources Commission of Shenzhen Municipality as third parties for, inter alia, confirmation that the part of the Shenzhen Land now under the name of Grand Field Computer belongs to the old Grand Field Computer which was registered on 8th December, 1998 of which the plaintiff alleged holding a total 11% of its shareholdings. By the judgment dated 19th January, 2017, the court dismissed Shenzhen Liangzi's claims. Shenzhen Liangzi appealed and currently has withdrawn its claims therein which has been approved by the court and the case has been concluded.

In the opinion of the Directors, the said proceedings have no material impact on the operations of the Group and/or have no financial impact on the Group.

- (vi) Under the case no.(2016) Yuet 0391 Min Chu no.2252, Shenzhen YiZhou as the plaintiff claims against Grand Field Land Development (Shenzhen) Company Limited ("GF Land") as the defendant for the Shareholders' liability. Shenzhen YiZhou has currently withdrawn its claim which has been approved by the court and the case has been concluded.

In the opinion of the Directors, the said proceedings have no material impact on the operations of the Group and/or have no financial impact on the Group.

- (vii) An Originating Summons was issued and filed with the High Court of Hong Kong on 11th August, 2017 pursuant to Section 732 and 733 of the Companies Ordinance, Cap.622 of the Laws of Hong Kong by the plaintiff, Fourseasons Hong Kong Trading Limited, a shareholder of the Company claiming against the Company as the defendant for leave to bring legal proceedings on behalf of the Company against Tsang Wai Lun Wayland and Kwok Wai Man Nancy, the former executive directors of the Company, Kwok Siu Bun, Kwok Siu Wa Alison, Tsang Tsz Tung Debbie, Ma Xuemian, Chow Kwai Wa Anne, Hui Pui Wai Kimber, Liu Chaodong, Chui Wai Hung, the Directors of the Company, Surplus Full Development Limited (a BVI company) and Intra Asia Limited, both now are the subsidiaries of the Company and the interested parties in the Property Project and for costs of the proceedings.

The Company upon legal advice opposes the plaintiff's application and has filed its affirmation in opposition. The trial date of these proceedings has not been fixed yet.

In the opinion of the Directors, the said proceedings have no material impact on the operations of the Group. However, the Directors cannot reasonably measure the financial impact of the Company before the conclusion of the said proceedings.

Save as disclosed above, in the opinion of the Directors, the aforesaid legal proceedings will have no material impact on the financial position and operations of the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL RESULTS

For the year ended 31 December 2017, the revenue of the Company and its subsidiaries (the “Group”) increased significantly from approximately HK\$6,257,000 for the last year to approximately HK\$178,575,000. The increase was mainly attributed to sales of properties held for sale from Xuzhou project.

During the year ended 31 December 2017, the Group reported a net profit of approximately HK\$231,962,000, increased by approximately HK\$160,790,000 from that of approximately HK\$71,172,000 for the last year. It was mainly attributed to substantial fair value gains from certain investment properties during the year ended 31 December 2017.

Due to the aforesaid reason, the net profit attributable to owners of the Company was increased from approximately HK\$19,166,000 in 2016 to approximately HK\$127,979,000 in 2017.

BUSINESS REVIEW AND PROSPECT

Shenzhen’s property market continued to gain momentum in 2017 with average prices for new and second-hand homes hitting historical high. For the Group, this means further opportunities in presales with a potential of higher sales volume. Having the Shenzhen Buji ZongKe YunDuan project obtained all the required development licenses in April 2016 and, the construction work is now in full swing, of which most of the excavation works and all of the foundation works have been completed, with the project itself expected to be officially introduced to the market in less than two years after. As more new residential projects are expected to be launched in the near future, we are hoping this will push up market sentiment and bring a positive effect to the housing market by increasing the number of transactions. With home prices still expected to soar in most Chinese cities, the completion of the Shenzhen Buji ZongKe YunDuan project will greatly enhance the Group’s cash flow and profitability.

While part of our project is planned to be sold for some quick cash turnover, we also plan to build and hold on some commercial space for long-term leasing income and also as an investment to our own work, and therefore bringing value to our shareholders. At present, since our land reserve is limited to the Shenzhen Buji ZongKe YunDuan project, the Group is actively seeking to expand the business to different provinces and other second-tier cities in China for better bargains on land and other real estate assets.

In 2017, the Group successfully acquired a developing property project in Xuzhou, Jiangsu Province (the “Property Project”). The Property Project has completed and obtained the certificate of completion and therefore it is ready for sale or rent. Two towers of the Property Project have been sold out. The Group has retained one commercial tower for renting out for the use of arcade, hotel or other commercial uses. It will greatly enhance the Group’s cash flow and profitability.

As aforesaid, we believe an expected growth in 2018.

In addition, the Company has been involved in trading business including milk-related products and, frozen meats since 2016. However this business was put on hold till our further research and development.

Besides, we are continuing our effort to mergers and acquisitions (the “M&A”) deals as a way to expand into new markets and gain additional revenue streams apart from the real estate development. At the time when we witness a slowdown in the macro market, successful M&A deals offer the Group the opportunities for sustainable growth. By bringing in additional product lines and expanding into new markets, these possible deals would allow the Group to grow without having to build out the entire new portion of the business on our own. Business integration is a top of priority for us in the years to come.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2017, the Group's cash and cash equivalents were approximately HK\$5,902,000 (31 December 2016: approximately HK\$13,439,000) of which most were denominated in Hong Kong Dollar ("HK\$") and Renminbi ("RMB").

As at 31 December 2017, the Group had total current assets of approximately HK\$250,541,000 (31 December 2016: approximately HK\$174,372,000), and total current liabilities of approximately HK\$324,130,000 (31 December 2016: approximately HK\$67,420,000). The Group recorded total assets of approximately HK\$2,609,262,000 (31 December 2016: approximately HK\$1,680,830,000). At 31 December 2017, the Group's total interest-bearing borrowings amounted to approximately HK\$48,420,000 (31 December 2016: approximately HK\$10,913,000), of which approximately HK\$48,420,000 was repayable within 1 year (31 December 2016: approximately HK\$10,913,000).

As at 31 December 2017, all interest-bearing borrowings of the Group are denominated in RMB with principal amount of approximately RMB40,387,000 (equivalent to approximately HK\$48,420,000) (31 December 2016: approximately HK\$10,913,000) and such borrowings carried interest at fixed rates of from 1.5% to 2.5% per month and 10% per annum (2016: 1.5% to 2.5% per month and 10% per annum).

The gearing ratio as at 31 December 2017, which was defined to be current liabilities over shareholders' equity, was approximately 32% (31 December 2016: approximately 10%).

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group's major operations are located in the PRC and the main operational currencies are HK\$ and RMB. There has been no significant change in the Group's policy in terms of exchange rate exposure. The Group is exposed to foreign currency risk due to the exchange rate fluctuation of RMB against HK\$. Moderate fluctuation of RMB against HK\$ was expected. The Group considered the foreign currency risk exposure is acceptable. However, management of the Group will monitor foreign exposure closely and consider the use of hedging instruments when necessary.

As at 31 December 2017, the Group has no material liability denominated in other foreign currencies other than RMB. There was also no hedging transaction contracted for by the Group during the year ended 31 December 2017.

CAPITAL STRUCTURE

As at 31 December 2017, the Company's issued share capital is approximately HK\$151,905,000 and the total number of its issued ordinary shares is 1,519,046,088 shares of HK\$0.10 each in issue.

Details of the movements in share capital of the Company are set out in note 14 to the consolidated financial statement.

CAPITAL COMMITMENT

The Group had the following material commitments as at 31 December 2017:

	2017 <i>HK\$'000</i>	2016 <i>HK\$'000</i>
Contracted but not provided for:		
Investment properties under development	647,853	683,608
Capital contribution to PRC companies	194,344	180,144
	842,197	863,752

CHARGE ON GROUP ASSETS

As at 31 December 2017, the Group has pledged certain properties held for sale with the carrying amounts of approximately HK\$4,677,000 (31 December 2016: approximately HK\$4,335,000) of its wholly-owned subsidiary for certain interest-bearing borrowings with principal amount of approximately RMB4,238,000 (equivalent to approximately HK\$4,896,000 (31 December 2016: approximately HK\$4,634,000)) from an independent third party.

MATERIAL ACQUISITIONS, DISPOSALS AND SIGNIFICANT INVESTMENT AND FUTURE PLANS FOR MATERIAL INVESTMENTS

Save as disclosed in the section “Major and Connected Transaction”, the Company did not have any other material acquisitions, disposal and significant investment of subsidiaries and affiliated companies during the year ended 31 December 2017.

In 2018, the Company will continue to make intensive efforts to expand its existing business and explore other business opportunities and try to seek opportunities actively to promote diversified business development. The Company will be continuing its effort in mergers and acquisitions deals as a way to expand into new markets and gain additional revenue streams apart from the real estate development. Bearing any further unforeseen material adverse external developments, the Company will continue to adhere to these principles in 2018 and is cautiously optimistic about the Group’s further prospects.

USE OF PROCEEDS FROM THE SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

During the year ended 31 December 2017, the Company totally issued 276,196,991 new shares under general mandate, the details are as follows:

Nature	No. of shares
Remuneration shares (<i>Note 1</i>)	27,546,296
Subscription shares (<i>Note 2</i>)	<u>248,650,695</u>
Total:	<u><u>276,196,991</u></u>

Notes:

1. On 19 January 2017 and 9 May 2017, 12,962,963 shares and 14,583,333 shares of the Company were allotted and issued to Mr. Wong Vai Nang, sole proprietor of Simon Ho & Co., Solicitors, at an issue price of HK\$0.270 and HK\$0.240 per share for settlement of the fee for the legal advisory services provided by Simon Ho & Co., Solicitors.

Details were set out in the announcements dated 19 January 2017 and 9 May 2017.

2. On 19 January 2017, 65,513,322 shares and 24,955,555 shares of the Company were allotted and issued to Mr. Xin Zailian (“Mr. Xin”) and Mr. Chen Guoqin (“Mr. Chen”), at the subscription price of HK\$0.27 per share in accordance with the terms and conditions of the subscription agreement I and subscription agreement II (having same meanings as defined in the announcement dated 13 January 2017), respectively. The aggregate nominal value of the 90,468,877 shares issued to Mr. Xin and Mr. Chen was HK\$9,046,887.70. The closing market price per share was HK\$0.27 as at 18 January 2017. The net price, after deduction of relevant expenses, was approximately HK\$0.269 per share. The net proceeds from the subscriptions of approximately HK\$24,376,597 was intended to be applied for general working capital and future development of the Group.

Details were set out in the announcements dated 13 January 2017 and 19 January 2017.

On 21 August 2017, 83,181,818 shares and 75,000,000 shares of the Company were allotted and issued to Mr. Xin and Mr. Chan Kee Wai (“Mr. Chan”), at the subscription price of HK\$0.22 per share in accordance with the terms and conditions of the subscription agreement I and subscription agreement II (having same meanings as defined in the announcement dated 8 August 2017), respectively. The aggregate nominal value of the 158,181,818 shares issued to Mr. Xin and Mr. Chan was HK\$15,818,181.80. The closing market price per share was HK\$0.192 as at 18 August 2017. The net price, after deduction of relevant expenses, was approximately HK\$0.2194 per share. The net proceeds from the subscriptions of approximately HK\$34,700,000 was intended to be applied as to approximately HK\$10,410,000 for general working capital for daily operation and approximately HK\$24,290,000 for development of the Group’s real estate project in Shenzhen.

Details were set out in the announcements dated 8 August 2017, 9 August 2017 and 21 August 2017.

Up to the date of this announcement, the proceeds from these subscriptions were used for payment of the Company’s general and administrative expenses and development of the Group’s real estate project in Shenzhen with major items detailed below:

Completion date of subscriptions	19 January 2017	21 August 2017
	<i>Approx. HK\$</i>	<i>Approx. HK\$</i>
Net proceeds	<u>24.38 million</u>	<u>34.70 million</u>
Use of net proceeds		
Staff salaries and Directors’ fees	1.18 million	1.43 million
Rental and operating expenses	7.18 million	5.02 million
Development of the Group’s property project in Shenzhen	16.02 million	24.16 million
Legal and professional fees	–	1.21 million
Unutilized proceeds	<u>–</u>	<u>2.88 million</u>
Total	<u>24.38 million</u>	<u>34.70 million</u>

CONTINGENT LIABILITIES

The Group's contingent liabilities are disclosed in note 15 to the consolidated financial statements.

SEGMENT INFORMATION

The details of the segment information of the Group are set out in note 6 to the consolidated financial statements.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2017, the Group employed 61 employees (2016: 45) and had 8 Directors (2016: 8). The total staff costs (including directors' remuneration) for the year ended 31 December 2017 amounted to approximately HK\$7,397,000 (2016: approximately HK\$25,825,000). No equity-settled share option arrangement was included in current year's staff cost as comparing to that of approximately HK\$19,070,000 in last year. The Group's emolument policies are formulated such that the emoluments are made by reference to the performance of individual employees and will be reviewed every year. Apart from basic salary and statutory provident fund scheme, employees will also be offered bonus based on the results of the Group and their individual performance.

MAJOR AND CONNECTED TRANSACTION

On 24 February 2017, the Company, Surplus Full Development Limited (a wholly-owned subsidiary of the Company) (the "Purchaser"), Mr. Tsang Wai Lun Wayland ("Mr. Tsang") and Ms. Tsang Tsz Nok Aleen ("Ms. Tsang") (Mr. Tsang and Ms. Tsang, together referred to as the "Vendors"), entered into the conditional sale and purchase agreement in relation to the acquisition of the entire share capital of Intra Asia Limited (the "Agreement"), pursuant to which the Vendors have conditionally agreed to sell and Surplus Full Development Limited has conditionally agreed to purchase 100% of the issued share capital of Intra Asia Limited at the consideration of HK\$207,000,000. The acquisition represented property investment made in the ordinary and usual course of business of the Group on normal commercial terms.

Mr. Tsang is the father of Ms. Tsang, Ms. Tsang Tsz Tung Debbie, the non-executive director of the Company, and Mr. Tsang Yee, the beneficial owner of Rhenfield Development Corp., the substantial shareholder of the Company. Mr. Tsang is also the brother-in-law of Ms. Kwok Siu Wa Alison and Mr. Kwok Siu Bun, the executive Directors.

Therefore, Mr. Tsang and Ms. Tsang are the connected persons of the Company and the acquisition constituted a connected transaction on the part of the Company under Chapter 14A of the Listing Rules.

Upon completion of the acquisition on 28 April 2017, 210,000,000 ordinary shares of the Company at the issue price of HK\$0.226 per share and the convertible bonds of the Company in the principal amount of HK\$137,000,000 were issued as consideration in accordance with the terms and conditions of the Agreement to Ms. Tsang who becomes a substantial shareholder of the Company holding approximately 53.94% of the total issued shares amounted for 819,358,224 shares as at 31 December 2017.

Following the completion, Intra Asia Limited has become a wholly-owned subsidiary of the Company and accordingly, the financial results of which will be consolidated into the financial statements of the Company.

For details, please refer to the Company's circular dated 30 March 2017 and the Company's announcements dated 24 February 2017, 24 March 2017, 28 April 2017 and 21 December 2017.

Save as disclosed above, there were no significant connected transactions entered into by the Group for the year ended 31 December 2017.

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

During the year ended 31 December 2017, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

DIVIDENDS

The Directors do not recommend the payment of final dividend in respect of the year ended 31 December 2017 (2016: nil). No interim dividend was declared for the six months ended 30 June 2017 (2016: nil).

TREASURY POLICIES

The Group has adopted a prudent financial management approach towards its treasury policies and thus maintained an appropriate liquidity position throughout the year of 2017. The Group strives to reduce exposure to credit risk by performing ongoing credit evaluation of the financial condition of its customers. To manage liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirements from time to time.

CORPORATE GOVERNANCE

The Company is committed to the establishment of good corporate governance practices and procedures. The Company has complied with all the code provisions as set out in the Corporate Governance Code and Corporate Governance Report to the Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "CG Code") (the "Listing Rules") during the year ended 31 December 2017 except for the following deviations:

Code Provision A.2.1

According to the code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual.

During the year ended 31 December 2017, the role of the chairman of the Company (the "Chairman") is performed by Mr. Ma Xuemian but the office of the chief executive is vacated. However, the Board will keep reviewing the current structure of the Board from time to time and should candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post as appropriate.

DIRECTORS' SECURITIES TRANSACTION

The Company has adopted a code of conduct regarding securities transactions by Directors on terms as set out in Appendix 10 to the Listing Rules (the "Model Code"). Having made specific enquiry to all Directors, the Company was not aware of any non-compliance with the required standard in the Model Code for dealing in securities of the Company throughout the year ended 31 December 2017.

SCOPE OF WORK OF ZHONGHUI ANDA CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement and consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 December 2017 as set out in the preliminary announcement have been agreed by the Group's auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2017. The work performed by ZHONGHUI ANDA CPA Limited 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 Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by ZHONGHUI ANDA CPA Limited on the preliminary announcement.

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") has reviewed with the management of the Group the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial reporting matters including the review of the audited financial statements for the year ended 31 December 2017, with external auditor. There were no disagreements from the auditor of the Company or the Audit Committee in respect of the accounting policies adopted by the Company.

EVENT AFTER THE REPORTING PERIOD

On 13 March 2018, 113,990,000 placing shares have been successfully placed by Taijin Securities and Futures Limited (the "Placing Agent") to not less than six placees who are not connected persons of the Company at the placing price of HK\$0.170 per placing share in accordance with the terms and conditions of the placing agreement.

The net proceeds, after deducting related placing commission, professional fees and all related expenses, arising from the placing amount to approximately HK\$18.89 million and the Company intends to utilize such net proceeds as to approximately HK\$13.89 million for development of the Group's real estate projects on hand and approximately HK\$5 million for general working capital for daily operation.

Details were set out in the announcements dated 13 February 2018 and 13 March 2018.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the Company's website (<http://www.gfghl.com>) and the Stock Exchange's website (<http://www.hkex.com.hk>). The annual report for the year ended 31 December 2017 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and available on the same websites in due course.

By order of the Board
Grand Field Group Holdings Limited
Ma Xuemian
Chairman

Hong Kong, 27 March 2018

As at the date of this announcement, the board of Directors comprises four executive Directors, namely, Mr. Ma Xuemian, Mr. Kwok Siu Bun, Ms. Chow Kwai Wa Anne and Ms. Kwok Siu Wa Alison; one non-executive Director, namely, Ms. Tsang Tsz Tung Debbie (with Mr. Kwok Siu Bun as alternative); and three independent non-executive Directors, namely, Mr. Hui Pui Wai Kimber, Mr. Liu Chaodong and Ms. Chui Wai Hung.