

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*

# Tai Cheung Holdings Limited

(INCORPORATED IN BERMUDA WITH LIMITED LIABILITY)

(Stock Code: 88)

## FINAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2023

### FINANCIAL RESULTS

I am pleased to report the results of the group for the year ended 31st March 2023 (the “Year”). The audited group loss attributable to equity holders of the company for the Year amounted to HK\$20.0 million as compared to the profit of HK\$2.9 million for last year.

The turnaround from profit to loss for the Year was mainly attributable to the recognition of HK\$50.1 million of investment income from financial assets at fair value through profit or loss for last year, with nil investment income for the Year, notwithstanding the increase in interest income for the Year.

Despite the aforesaid, the group’s consolidated financial statements as at 31st March 2023 indicate that the group has a strong cash position with low gearing level. The board considers that the overall financial position of the group remains sound and solid.

### DIVIDEND

An interim dividend of HK12 cents per share was paid on 5th January 2023. The board has recommended the payment of a final dividend of HK12 cents per share to the shareholders on the register of members of the company on 7th September 2023. Subject to the approval of shareholders at the forthcoming Annual General Meeting, the final dividend will be payable on 19th September 2023 and the total dividend for the Year will be HK24 cents per share, same as last year.

## CONSOLIDATED INCOME STATEMENT

For the year ended 31st March 2023

	Note	2023 HK\$ Million	2022 HK\$ Million
Revenue	2	66.3	131.9
Cost of sales		<u>(57.7)</u>	<u>(128.9)</u>
Gross profit		8.6	3.0
Other income and other losses, net	3	21.2	42.5
Administrative expenses		<u>(57.8)</u>	<u>(58.5)</u>
Operating loss	4	(28.0)	(13.0)
Finance costs		(1.6)	(3.1)
Share of results of associates, net of tax		<u>10.0</u>	<u>19.4</u>
(Loss)/profit before income tax		(19.6)	3.3
Income tax expense	5	<u>(0.4)</u>	<u>(0.4)</u>
<b>(Loss)/profit attributable to equity holders of the company</b>		<b><u>(20.0)</u></b>	<b><u>2.9</u></b>
(Loss)/earnings per share (basic and diluted), HK dollars	6	<u>(\$0.032)</u>	<u>\$0.005</u>
Dividends, HK\$ Million	7	<u>148.2</u>	<u>148.2</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March 2023

	<b>2023</b> <i>HK\$ Million</i>	<b>2022</b> <i>HK\$ Million</i>
(Loss)/profit for the year	(20.0)	2.9
Other comprehensive income:		
<i>Item that will not be reclassified subsequently to profit or loss:</i>		
Share of other comprehensive income/(loss) of an associate	1.5	(3.3)
<i>Item that has been reclassified or may be reclassified subsequently to profit or loss:</i>		
Exchange differences	0.7	2.0
	<u>2.2</u>	<u>(1.3)</u>
Total comprehensive (loss)/income for the year and attributable to equity holders of the company	<u>(17.8)</u>	<u>1.6</u>

**CONSOLIDATED BALANCE SHEET***As at 31st March 2023*

	Note	2023 HK\$ Million	2022 HK\$ Million
Non-current assets			
Property, plant and equipment		1.2	1.5
Right-of-use assets		32.9	54.2
Associates		174.9	163.4
Amount due from an associate		108.6	14.0
Deferred income tax assets		41.0	41.0
Mortgage loans receivable		0.1	0.1
		<u>358.7</u>	<u>274.2</u>
Current assets			
Properties for sale		3,210.3	3,070.0
Properties under development		1,762.0	1,809.7
Debtors and other receivables	8	20.7	9.7
Financial assets at fair value through profit or loss		37.2	57.2
Amount due from an associate		–	24.6
Bank balances and cash		1,384.6	1,729.5
		<u>6,414.8</u>	<u>6,700.7</u>
Current liabilities			
Creditors and other payables	9	144.0	154.9
Lease liabilities		10.7	13.4
Borrowings		88.0	–
Current income tax liabilities		0.1	0.1
		<u>242.8</u>	<u>168.4</u>
Net current assets		<u>6,172.0</u>	<u>6,532.3</u>
Total assets less current liabilities		<u>6,530.7</u>	<u>6,806.5</u>
Non-current liabilities			
Lease liabilities		16.2	34.9
Other liabilities		0.7	0.7
Borrowings		–	91.1
Deferred income tax liabilities		3.5	3.5
		<u>20.4</u>	<u>130.2</u>
Net assets		<u>6,510.3</u>	<u>6,676.3</u>
Equity			
Share capital		61.7	61.7
Reserves		6,374.5	6,540.5
Proposed final dividend		74.1	74.1
Total equity		<u>6,510.3</u>	<u>6,676.3</u>

Notes:

## 1. Basis of preparation and accounting policies

### (a) Basis of preparation

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss, which are carried at fair value.

### (b) Amendments to existing standards and improvements effective in 2022/23 and adopted by the group

During the year, the group adopted the following amendments to existing standards and improvements which are effective in 2022/23:

HKFRS 3, HKAS 16 and HKAS 37 (Amendments)	Narrow-scope amendments
Annual Improvements	Annual Improvements to HKFRSs 2018 - 2020 Cycle
Accounting Guideline 5 (Revised)	Merger Accounting for Common Control Combinations

The adoption of the amendments to existing standards and improvements does not have any significant effect on the results and financial position of the group.

## 2. Revenue and segment information

The group is principally engaged in property leasing and development, investment holding and property management.

Segment information is presented on the same basis as that used by the directors to assess the performance of each reporting segment.

### (a) Revenue and (loss)/profit attributable to equity holders of the company

For the year ended 31st March 2023

	<b>Property development and leasing</b> <i>HK\$ Million</i>	<b>Property management</b> <i>HK\$ Million</i>	<b>Hotel operation</b> <i>HK\$ Million</i>	<b>Investment holding</b> <i>HK\$ Million</i>	<b>Total</b> <i>HK\$ Million</i>
Revenue					
– recognised at a point in time	55.6	–	–	–	55.6
– recognised over time	–	10.1	–	–	10.1
Revenue from other sources					
– rental income	0.6	–	–	–	0.6
	<u>56.2</u>	<u>10.1</u>	<u>–</u>	<u>–</u>	<u>66.3</u>
Segment results and operating loss	<u>(39.4)</u>	<u>2.2</u>	<u>–</u>	<u>9.2</u>	<u>(28.0)</u>
Finance costs	(1.6)	–	–	–	(1.6)
Share of results of associates, net of tax	–	–	10.0	–	<u>10.0</u>
Loss before income tax					(19.6)
Income tax expense	(0.2)	(0.2)	–	–	<u>(0.4)</u>
Loss attributable to equity holders of the company					<u>(20.0)</u>

## 2. Revenue and segment information (Continued)

(a) Revenue and (loss)/profit attributable to equity holders of the company (Continued)

For the year ended 31st March 2022

	Property development and leasing <i>HK\$ Million</i>	Property management <i>HK\$ Million</i>	Hotel operation <i>HK\$ Million</i>	Investment holding <i>HK\$ Million</i>	Total <i>HK\$ Million</i>
Revenue					
– recognised at a point in time	119.4	–	–	–	119.4
– recognised over time	–	9.6	–	–	9.6
Revenue from other sources					
– rental income	2.9	–	–	–	2.9
	<u>122.3</u>	<u>9.6</u>	<u>–</u>	<u>–</u>	<u>131.9</u>
Segment results and operating loss	<u>(48.0)</u>	<u>0.7</u>	<u>–</u>	<u>34.3</u>	<u>(13.0)</u>
Finance costs	(3.1)	–	–	–	(3.1)
Share of results of associates, net of tax	–	–	19.4	–	19.4
Profit before income tax					3.3
Income tax expense	(0.3)	(0.1)	–	–	<u>(0.4)</u>
Profit attributable to equity holders of the company					<u>2.9</u>

The analysis of revenue by geographical area is as follows:

	2023 <i>HK\$ Million</i>	2022 <i>HK\$ Million</i>
Hong Kong	9.6	9.3
United States	<u>56.7</u>	<u>122.6</u>
	<u>66.3</u>	<u>131.9</u>

Revenue of approximately HK\$55.6 million (2022: HK\$28.7 million) are derived from three (2022: one) major customer(s) each contributing 10% or more of the total revenue.

## 2. Revenue and segment information (Continued)

### (b) Total assets and liabilities

As at 31st March 2023

	<b>Property development and leasing</b> <i>HK\$ Million</i>	<b>Property management</b> <i>HK\$ Million</i>	<b>Hotel operation</b> <i>HK\$ Million</i>	<b>Investment holding</b> <i>HK\$ Million</i>	<b>Total</b> <i>HK\$ Million</i>
Segment assets	5,089.3	82.8	–	1,317.9	6,490.0
Associates	–	–	283.5	–	283.5
Total assets					6,773.5
Segment liabilities	167.6	83.0	–	12.6	263.2
Net assets					<u>6,510.3</u>

As at 31st March 2022

	<b>Property development and leasing</b> <i>HK\$ Million</i>	<b>Property management</b> <i>HK\$ Million</i>	<b>Hotel operation</b> <i>HK\$ Million</i>	<b>Investment holding</b> <i>HK\$ Million</i>	<b>Total</b> <i>HK\$ Million</i>
Segment assets	5,027.4	79.0	–	1,666.5	6,772.9
Associates	–	–	202.0	–	202.0
Total assets					6,974.9
Segment liabilities	208.6	78.7	–	11.3	298.6
Net assets					<u>6,676.3</u>

Non-current assets, other than deferred income tax assets are mainly located in Hong Kong.



### 3. Other income and other losses, net

	<b>2023</b> <i>HK\$ Million</i>	<b>2022</b> <i>HK\$ Million</i>
Other income		
Interest income	39.1	7.8
Investment income from financial assets at fair value through profit or loss	–	50.1
Subsidies from the Employment Support Scheme by the Government of the Hong Kong Special Administrative Region	1.8	–
	<u>40.9</u>	<u>57.9</u>
Other losses		
Fair value change on financial assets at fair value through profit or loss	(19.7)	(15.4)
	<u>21.2</u>	<u>42.5</u>

### 4. Operating loss

	<b>2023</b> <i>HK\$ Million</i>	<b>2022</b> <i>HK\$ Million</i>
Operating loss is stated after charging the following:		
Cost of property sales	38.8	100.5
Depreciation – property, plant and equipment	0.6	0.8
Depreciation – right-of-use assets	11.4	13.3
	<u>50.8</u>	<u>114.6</u>

### 5. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2022: 16.5%) on the estimated assessable profits for the year.

	<b>2023</b> <i>HK\$ Million</i>	<b>2022</b> <i>HK\$ Million</i>
Current income tax		
Hong Kong profits tax	0.4	0.4
	<u>0.4</u>	<u>0.4</u>

### 6. (Loss)/earnings per share

The calculation of (loss)/earnings per share is based on the loss attributable to equity holders of the company of HK\$20.0 million (2022: profit attributable to equity holders of the company of HK\$2.9 million) and ordinary shares in issue of 617,531,425 (2022: 617,531,425). There were no potential dilutive ordinary shares outstanding during the year (2022: Nil).

## 7. Dividends

	<b>2023</b> <i>HK\$ Million</i>	<b>2022</b> <i>HK\$ Million</i>
Interim, paid, of HK12 cents (2022: HK12 cents) per ordinary share	74.1	74.1
Final, proposed, of HK12 cents (2022: HK12 cents) per ordinary share	74.1	74.1
	<u>148.2</u>	<u>148.2</u>

## 8. Debtors and other receivables

	<b>2023</b> <i>HK\$ Million</i>	<b>2022</b> <i>HK\$ Million</i>
Other receivables, deposits and prepayments	<u>20.7</u>	<u>9.7</u>

Other receivables, deposits and prepayments are mainly denominated in Hong Kong dollars.

Credit terms given to customers vary and generally range from 3 to 6 months.

## 9. Creditors and other payables

	<b>2023</b> <i>HK\$ Million</i>	<b>2022</b> <i>HK\$ Million</i>
Creditors, aged 0-3 months (from dates of invoices)	2.3	10.2
Other payables, deposits and accruals	141.7	144.7
	<u>144.0</u>	<u>154.9</u>

The creditors, other payables, deposits and accruals are mainly denominated in Hong Kong dollars.

## **BUSINESS REVIEW**

### **Property Development**

Our Ap Lei Chau site will be developed into a luxurious residential building with recreational facilities and car parks. All piling and excavation works were completed. Construction of the pile cap, basement slabs and walls will be commenced shortly.

Preparation works for sales launch of our Repulse Bay project “PULSA” are well underway. Marketing promotion activities have been proceeding smoothly. Located amidst greenery and serenity, this super luxury residence enjoys panoramic views of the Repulse Bay. The development consists of eight spacious and elegant houses, with well-equipped clubhouse facilities. Its stylish curtain-wall façade and innovative design offers unprecedented iconic signature in the neighborhood.

French Valley Airport Center, an industrial and commercial project in California, is being developed in phases. Located adjacent to French Valley Airport, this modern architecture offers a range of all-new single-storey buildings, bringing convenience and high-quality construction in a well-designed business center. Sales of Phase 3 of the project achieved favourable results in view of the current market conditions. Construction works for Phase 4 are scheduled to start in the fourth quarter of 2023, with expected completion by the end of 2024.

### **Hotel**

Sheraton-Hong Kong Hotel, in which the group has 35% interest, continued to uphold its reputation among the elegant 5-star hotels in Hong Kong. Due to the normalization of business and travel activities upon the lifting of international travel restrictions, the Hotel occupancy has seen strong bounce back starting from the first quarter of 2023.

The Hotel completed its renovation in March 2023, seizing the right timing for market opportunities in the post-epidemic era. Guestroom enhancement work is in the finalizing stages, and scheduled for completion by mid-July 2023.

The outlook for the local hotel industry looks bright. In the immediate term, Hong Kong will be one of the first destinations to benefit from the Mainland’s reopening due to its ease of access and release of pent-up travel demand. The emerging improvement in the air capacity is expected to foster growth in arrivals from long-haul destinations. Furthermore, a significant amount has been earmarked by the Government Budget 2023-24 for staging more mega events, international meetings as well as incentive travels to attract inbound visitors back to the city again.

## ASSETS VALUE

The group has equity accounted for its interest in Sheraton-Hong Kong Hotel, which has adopted the cost model for its hotel land and buildings which are stated at cost less accumulated depreciation, in accordance with the current accounting standards.

In order to fully reflect the underlying economic value of the group's hotel properties, the group considers it appropriate also to present to shareholders, as set out below, supplementary information on the group's statement of net assets on the basis that the group were to state these hotel properties at their open market valuations as at 31st March 2023.

	<b>2023</b> (Unaudited) <i>HK\$ Million</i>	<b>2022</b> (Unaudited) <i>HK\$ Million</i>
Non-current assets, including interest in associates	358.7	274.2
Add: Attributable revaluation surplus relating to hotel properties <sup>(1)</sup>	<u>3,145.2</u>	<u>3,231.5</u>
	----- 3,503.9	----- 3,505.7
Current assets	6,414.8	6,700.7
Current liabilities	<u>(242.8)</u>	<u>(168.4)</u>
Net current assets	----- <u>6,172.0</u>	----- <u>6,532.3</u>
Total assets less current liabilities	9,675.9	10,038.0
Non-current liabilities	<u>(20.4)</u>	<u>(130.2)</u>
Net assets as if the hotel properties were stated at open market value	<u>9,655.5</u>	<u>9,907.8</u>
Net assets per ordinary share as if the hotel properties were stated at open market value	<u>\$15.64</u>	<u>\$16.04</u>

<sup>(1)</sup> Based on open market valuations as at 31st March 2023 and 2022 respectively, carried out by Cushman & Wakefield Limited, an independent firm of professional valuers.

## **LIQUIDITY AND FINANCIAL RESOURCES**

The group's funding requirements are met with cash on hand, internally generated cash and, to the extent required, by external floating rate bank borrowings. Other sources of funds include dividends received from associates.

At 31st March 2023, the group's cash net of borrowings was HK\$1,296.6 million as compared with HK\$1,638.4 million last year. The group's borrowing facilities were secured by certain properties held by the group with a total carrying value of HK\$402.4 million. All the group's borrowings were denominated in United States dollars. The US dollar loans are directly tied in with the business of the group's United States operations, and therefore these loans are substantially hedged by assets in the same currency.

As at year end, all the group's borrowings were payable within 1 year.

The group strives to maintain its gearing ratio, which is calculated as the ratio of the bank borrowings to equity, at a low level. It was 1.4% at 31st March 2023 and 2022.

Committed borrowing facilities available to the group, but not drawn, at 31st March 2023 amounted to HK\$38.4 million. Together with the receipts over the next twelve months from tenants and purchasers of the group's properties, the liquid funds of the group are adequate to meet the anticipated working capital requirement in the coming year.

## **EMPLOYEES**

The group, excluding associates, employs a total of 149 people in Hong Kong and the United States. Employees' costs, excluding directors' emoluments, amounted to HK\$58.2 million for the year ended 31st March 2023. The group understands that employees are valuable assets. Remuneration packages are reviewed annually with other employee benefits including medical subsidies, a non-contributory provident fund scheme and a mandatory provident fund scheme. The group also provides education subsidies to eligible employees.

## **CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

The group has capital commitments in respect of financial assets at fair value through profit or loss and properties as at 31st March 2023 of HK\$132.6 million. The group does not have any contingent liabilities as at 31st March 2023.

## **BUSINESS STRATEGY**

The group has been pursuing to build and manage quality properties mainly in Hong Kong, with focuses on luxury residential properties in recent years, delivering attractive returns to our shareholders.

Besides, the group's interest in the hotel is an investment in prime location with a long term perspective. It provides a stable, recurring source of income for the group.

In determining its business strategy, the group takes into consideration market opportunities, the group's financial resources and its core competence, while exercising prudent and disciplined financial management at all times.

Taking pride in its long history in the business and strong financial capability, the group endeavors to achieve long term sustainable growth of its business in preserving and enhancing the shareholders' value.

## **PROSPECTS**

Hong Kong's economy has seen strong rebound following the resumption of normal travel with the Mainland and the rest of the world, amidst challenges including soaring interest rates, inflation and external uncertainties. Market sentiment is gradually improving as economic recovery is gearing up on the path to normalcy.

Investors and businesses should get used to the interest rates hovering around the current levels for at least the next year. On the other hand, due to the group's net cash position, high interest rate will boost its interest income substantially.

The local residential property market has revived after undergoing a market correction last year. Notable sales transactions were recorded in the super luxury segment on the Peak and Southside in the first quarter of 2023, denoting reviving interests among local and Mainland buyers after border reopening. Furthermore, Singapore raised additional buyer's stamp duty for foreigners in April 2023 to 60% from 30%, potentially increasing Hong Kong residential assets' relative appeal to non-local investors.

Given that external economic conditions are slackened, volatile and ever-changing, the momentum of Hong Kong's economic recovery still requires consolidation. The group will monitor closely the impact of the challenges and its exposure to the risks and uncertainties in connection therewith. By adhering to its prudent approach, the group will continue to adopt flexible strategies to cope with market volatility. Having a strong balance sheet and ample cash on hand, the group is able to remain resilient in the face of uncertain economic environment ahead.

## **PURCHASE, SALE OR REDEMPTION OF SHARES**

The company did not redeem any of its shares during the year. Neither the company nor any of its subsidiaries purchased or sold any of the company's shares during the year.

## **REVIEW OF FINANCIAL STATEMENTS**

The Audit Committee has reviewed the group's consolidated financial statements for the year ended 31st March 2023, including the accounting principles and practices adopted by the group, in conjunction with the company's internal auditor.

## **SCOPE OF WORK OF PRICEWATERHOUSECOOPERS**

The figures in respect of the group's consolidated balance sheet, consolidated income statement and consolidated statement of comprehensive income, and the related notes thereto for the year ended 31st March 2023 as set out in the preliminary announcement have been agreed by the group's auditor, PricewaterhouseCoopers, to the amounts set out in the group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers 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 PricewaterhouseCoopers on the preliminary announcement.

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

The company's corporate governance practices are based on the principles and code provisions as set out in the Corporate Governance Code (the "CG Code") contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. During the Year, the company has complied with the code provisions of the CG Code except in relation to the followings:

- (1) Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The company does not have a separate Chairman and Chief Executive Officer and Mr. David Pun Chan currently holds both positions. The board considers that the combination of the roles of Chairman and Chief Executive Officer can promote the efficient formulation and implementation of the company's strategies to grasp business opportunities efficiently and promptly. Such arrangement, which has been adopted by many local and international corporations, enables the company to meet the rapidly changing business environment which needs quicker decision making to achieve business efficiency. The board believes that the balance of power and authority under such arrangement would not be impaired and would continue to be adequately ensured by the current board which comprises experienced and high calibre individuals with sufficient number thereof being independent non-executive directors of the company.

- (2) Under code provision B.2.2 of the CG Code, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Every director of the company, including those appointed for a specific term (save for any chairman or managing director under the company's Private Act which was enacted in Bermuda in 1990), shall be subject to retirement by rotation at least once every three years. Pursuant to section 4(g) of the Private Act of the company, any chairman or any managing director of the company shall not be subject to retirement by rotation under the Bye-laws. The board believes that the continuity of the office of chairman and managing director provides the group with strong and consistent leadership and allows more effective planning and execution of long-term business strategies. The board is of the view that the present arrangement is most beneficial to the company and the shareholders as a whole.

The board will continue to review and monitor the corporate governance practices of the company for the purpose of maintaining high corporate governance standards.

Detailed information of the company's compliance of the CG Code will be set out in the Corporate Governance Report contained in the 2023 Annual Report.

## **ANNUAL GENERAL MEETING**

The 2023 Annual General Meeting will be held on 23rd August 2023. The Notice of Annual General Meeting will be published and dispatched to the shareholders in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

The Register of Members will be closed during the following periods:

- (1) from Friday, 18th August 2023 to Wednesday, 23rd August 2023, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for attending and voting at the 2023 Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the transfer office of the company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Thursday, 17th August 2023.



- (2) from Tuesday, 5th September 2023 to Thursday, 7th September 2023, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the transfer office of the company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Monday, 4th September 2023.

By Order of the Board  
**David Pun Chan**  
*Chairman*

Hong Kong, 29th June 2023

*As at the date hereof, the board comprises Mr. David Pun Chan (Chairman), Mr. William Wai Lim Lam and Mr. Wing Sau Li as executive directors, Ms. Ivy Sau Ching Chan as non-executive director and Mr. Joseph Wing Siu Cheung, Mr. Karl Chi Leung Kwok and Mr. Man Sing Kwong as independent non-executive directors.*