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**CIMC | TianDa**

**CIMC-TianDa Holdings Company Limited**

**中集天達控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

(Stock code: 445)

**YEARLY RESULTS ANNOUNCEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2018**

**HIGHLIGHTS**

- On 23 April 2018, the Company completed the Pteris Acquisition which has been accounted for as a reverse acquisition in accordance with HKFRS 3 “*Business Combinations*”. Accordingly, Pteris was deemed to be the accounting acquirer to acquire CFE at date of completion of the Pteris Acquisition. The financial results of the Group for the year is the combination of the results of the Pteris Group for the full year of 2018 and the results of CFE Group for the period from the acquisition date to 31 December 2018. The comparative figures are the financial figures of the Pteris Group, unless otherwise specified.
- Revenue of the Group for the year ended 31 December 2018 increased 67.6% to RMB2,786.4 million.
- Profit attributable to equity holders of the Company for the year ended 31 December 2018 increased 92.1% to RMB165.4 million.
- Basic earnings per share for the year ended 31 December 2018 was RMB1.39 cents (2017: RMB1.33 cents). Diluted earnings per share was RMB1.01 cents (2017: RMB0.70 cent)
- Basic earnings per share for the year ended 31 December 2018 increased 2.2 times when compared with the basic earnings per share of RMB0.44 cent as reported in the annual report of CFE for 2017.
- The Board does not recommend the payment of final dividend for the year ended 31 December 2018.

## CHAIRMAN'S STATEMENT

I am delighted to present the first annual result announcement of CIMC-TianDa Holdings Company Limited, the new name of the Company which marks the new page of the Group created from completing the acquisition of the Pteris Group on 23 April 2018.

Revenue and profit of the Group for the year were approximately RMB2,786.4 million and RMB172.6 million respectively, representing 4.3 times and 8.7 times increase if compared with that reported in the Group's annual report for 2017, or 67.6% and 44.2% growth if compared with the results of Pteris Group for 2017. As explained in more detail in the "Basis of preparation" in Note 1 to the consolidated financial statements, the reverse acquisition accounting was adopted to account for the acquisition of Pteris according to the requirement of the accounting standards and therefore, from the accounting perspective, Pteris was treated as the acquirer and CFE the acquired subsidiary. As such, the consolidated results of the Group for 2018, together with the comparative figures, are the results of the Pteris Group, with that of the CFE Group combined from date of acquisition.

The Group has grown larger and stronger, as can be easily seen from the financial results for the year. Instead of the single fire engines and equipment segment, the Group's business has expanded to include airport facilities, logistics automation equipment and systems and auto stereoscopic parking. Airport facilities, mainly passenger boarding bridges and ground support equipment (including special vehicles like airport apron buses, cargo loaders and catering vehicles etc.), are the largest core business of the Group with long development history and has contributed over 48.7% and of the Group's revenue and 80.1% of the total profit of all segments of the Group for 2018. As a global leader in the market, the Group's airport facilities have been sold to over 300 airports in more than 70 countries and regions on five continents. Moving on, we are going to set up more service centers to capture the opportunities in the growing after-sale services and bridge renovation markets and to increase investments in new products development to maintain a long-term growth. Logistics is a business segment on the growing stage which contributed 31.6% of the Group's revenue for 2018 and 9.0% of the total profit of all segments of the Group. Since the Group's investments in the sorting systems made in 2017, the logistics business has had big technological advancement and can participate in various fields that range from passenger baggage and airport cargo handling to high-speed parcels sorting and automatic warehouses storage and retrieval. The widened customer range has brought in new orders and larger growth opportunities and has promoted the Group's status and competitiveness in the market for comprehensive logistics automation and intelligence solutions. For the auto stereoscopic parking business, although it has only limited contributions to the Group since start-up, given the growing intensive city parking problems and with the Group's self-developed technology of multifunctional station of electric bus parking system (新能源大巴立體停車綜合場站技術), we are confident that this business will soon deliver value and become a growth driver of the Group.

While the business of the airport facilities, logistics and auto stereoscopic parking are marching forward, the development of the Group's fire engines and equipment business has also been speeding up. During the year, we have entered into agreements to acquire two fire engines manufacturing companies, Shenyang Jietong Fire Truck Co., Ltd. (瀋陽捷通消防車有限公司) and Shanghai Jindun Special Vehicle Equipment Co., Ltd. (上海金盾特種車輛裝備有限公司). Shenyang Jietong has two manufacturing bases in Shenyang and is renowned for its aerial lifting trucks in China. Shanghai Jindun bases in Shanghai and has a strong presence in the eastern coastal area of China and in the Yangtze River Delta region. Following the completion of the

acquisitions, which is expected to be in the first half of 2019, we will have completed the strategic regional layout in the western, northern and eastern part of China and enriched the Group's portfolio of fire engines. More importantly, this marked a significant step towards completing the Group's strategic national layout and the target of becoming the leader in the world market.

Through the Group's four strategic business segments in airport facilities, fire safety, automated logistics and auto stereoscopic parking, we commit to make life safer, travel smoother and logistics flow faster. We are also mindful to create value to our shareholders. I am glad that the Group delivered a per share earnings of RMB1.39 cents this year, a 2.2 times growth from the RMB0.44 cent as reported in the annual report last year, even taken into account the significant number of new shares issued during the year for acquisitions. The Group's achievements could not be attained without the support and trust of our shareholders, customers and business partners, the dedication of my fellow directors and the commitment and creativity of our management and staff. I would like to take this opportunity to express my immense gratitude to all of them.

**Li Yin Hui**  
*Chairman*  
25 March 2019

The board of Directors (the “**Board**”) of the Company hereby announces the audited consolidated statement of profit or loss, consolidated statement of other comprehensive income and consolidated statement of financial position of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2018, together with the comparative figures for 2017, as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	<i>Note</i>	For the year ended 31 December	
		2018	Restated 2017
		RMB'000	RMB'000
<b>Revenue</b>		<b>2,786,421</b>	1,662,685
Cost of sales and services		<u>(2,240,886)</u>	<u>(1,273,336)</u>
<b>Gross profit</b>		<b>545,535</b>	389,349
Selling and distribution expenses		(74,845)	(52,559)
General and administrative expenses		(326,750)	(243,061)
Net impairment losses on financial and contract assets	2	(25,326)	(5,428)
Other income	3	82,864	60,781
Other gains/(losses) - net	4	<u>22,456</u>	<u>(3,638)</u>
<b>Operating profit</b>		<b>223,934</b>	145,444
Finance costs	5	(23,641)	(7,267)
Share of loss of associates		<u>(3,816)</u>	<u>-</u>
<b>Profit before income tax</b>		<b>196,477</b>	138,177
Income tax expense	6	<u>(23,859)</u>	<u>(18,496)</u>
<b>Profit for the year</b>	7	<u><b>172,618</b></u>	<u>119,681</u>
<b>Profit for the year attributable to:</b>			
Equity holders of the Company		<b>165,403</b>	86,118
Non-controlling interests		<u>7,215</u>	<u>33,563</u>
		<u><b>172,618</b></u>	<u>119,681</u>
<b>Earnings per share for profit attributable to the equity holders of the Company</b>	8	<b>RMB cent</b>	RMB cent
Basic		<u><b>1.39</b></u>	<u>1.33</u>
Diluted		<u><b>1.01</b></u>	<u>0.70</u>

## CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	<i>Note</i>	For the year ended 31 December	
		2018	Restated 2017
		RMB'000	RMB'000
<b>Profit for the year</b>		<b>172,618</b>	119,681
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		25,394	12,880
Share of other comprehensive income of an associate		(1)	-
		<b>25,393</b>	12,880
<i>Items that may not be reclassified to profit or loss:</i>			
Fair value uplift at the date of transfer of investment properties from property, plant and equipment and prepaid land lease payments		-	594
<b>Other comprehensive income for the year, net of tax</b>		<b>25,393</b>	13,474
<b>Total comprehensive income for the year</b>		<b>198,011</b>	133,155
<b>Total comprehensive income for the year attributable to:</b>			
Equity holders of the Company		190,850	99,610
Non-controlling interests		7,161	33,545
		<b>198,011</b>	133,155



**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (cont'd)**

		<b>At 31 December</b>	
		<b>2018</b>	Restated
	<i>Notes</i>	<b>RMB'000</b>	2017
			RMB'000
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Trade and other payables	<i>12</i>	<b>14,452</b>	15,455
Convertible bonds	<i>13</i>	<b>84,327</b>	-
Deferred income tax liabilities		<b>18,251</b>	3,306
Deferred income		<b>66,619</b>	76,894
		<hr/> <b>183,649</b> <hr/>	<hr/> 95,655 <hr/>
<b>Current liabilities</b>			
Trade and other payables	<i>12</i>	<b>1,303,155</b>	1,307,304
Amounts due to related parties		<b>75,212</b>	3,809
Amounts due to contract customers		-	36,222
Contract liabilities		<b>635,430</b>	-
Borrowings		<b>544,885</b>	112,731
Provision		<b>83,922</b>	79,780
Current income tax liabilities		<b>52,428</b>	15,655
		<hr/> <b>2,695,032</b> <hr/>	<hr/> 1,555,501 <hr/>
<b>Total liabilities</b>		<hr/> <b>2,878,681</b> <hr/>	<hr/> 1,651,156 <hr/>
<b>Total equity and liabilities</b>		<hr/> <b>5,901,010</b> <hr/>	<hr/> 3,116,925 <hr/>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2017

		Attributable to equity holders of the Company										
		Share capital	Share premium	Assets revaluation reserve	Surplus reserve	Convertible bonds – equity conversion reserve	Other reserves	Currency translation reserve	Retained earnings	Subtotal	Non-controlling interests	Total
<i>Notes</i>		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2017 (Restated)		51,753	1,914,868	22,690	9,378	1,767,791	(3,126,456)	19,883	459,973	1,119,880	187,198	1,307,078
Profit for the year		-	-	-	-	-	-	-	86,118	86,118	33,563	119,681
Currency translation differences		-	-	-	-	-	-	12,898	-	12,898	(18)	12,880
Fair value uplift at the date of the transfer of investment properties from property, plant and equipment and prepaid land lease payments		-	-	594	-	-	-	-	-	594	-	594
Total comprehensive income for the year		-	-	594	-	-	-	12,898	86,118	99,610	33,545	133,155
Transaction with non-controlling interests		-	-	-	-	-	4,874	-	-	4,874	7,126	12,000
Capital injection from non-controlling interest of a subsidiary		-	-	-	-	-	-	-	-	-	15,000	15,000
Dividends to non-controlling interests		-	-	-	-	-	-	-	-	-	(1,464)	(1,464)
Total transactions with owners, recognized directly in equity		-	-	-	-	-	4,874	-	-	4,874	20,662	25,536
At 31 December 2017		51,753	1,914,868	23,284	9,378	1,767,791	(3,121,582)	32,781	546,091	1,224,364	241,405	1,465,769



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)

For the year ended 31 December 2018

		Attributable to equity holders of the Company										
		Share capital	Share premium	Assets revaluation reserve	Surplus reserve	Convertible bonds – equity conversion reserve	Other reserves	Currency translation reserve	Retained earnings	Subtotal	Non-controlling interests	Total
<i>Notes</i>		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2018		51,753	1,914,868	23,284	9,378	1,767,791	(3,121,582)	32,781	546,091	1,224,364	241,405	1,465,769
Profit for the year		-	-	-	-	-	-	-	165,403	165,403	7,215	172,618
Currency translation differences		-	-	-	-	-	-	25,448	-	25,448	(54)	25,394
Share of other comprehensive income of associates		-	-	-	-	-	(1)	-	-	(1)	-	(1)
Total comprehensive income for the year		-	-	-	-	-	(1)	25,448	165,403	190,850	7,161	198,011
Issuance of ordinary shares pursuant to reverse acquisition		39,977	1,037,907	-	-	-	164,636	-	-	1,242,520	-	1,242,520
Issuance of convertible bonds pursuant to reverse acquisition – liability portion		-	-	-	-	-	-	-	(102,519)	(102,519)	-	(102,519)
Non-controlling interests recognised pursuant to reverse acquisition		-	-	-	-	-	(7,441)	-	-	(7,441)	7,441	-
Transaction with non-controlling interests		8,135	300,983	-	-	289,893	(406,624)	-	-	192,387	(209,198)	(16,811)
Issuance of ordinary shares		5,448	191,770	-	-	-	-	-	-	197,218	-	197,218
Issuance of shares upon conversion of convertible bonds		18,209	709,911	-	-	(688,120)	-	-	-	40,000	-	40,000
Dividends to non-controlling interests		-	-	-	-	-	-	-	-	-	(1,859)	(1,859)
Total transactions with owners, recognized directly in equity		71,769	2,240,571	-	-	(398,227)	(249,429)	-	(102,519)	1,562,165	(203,616)	1,358,549
At 31 December 2018		123,522	4,155,439	23,284	9,378	1,369,564	(3,371,012)	58,229	608,975	2,977,379	44,950	3,022,329

Notes:

## 1 Basis of preparation

On 23 April 2018, the Company completed the acquisition of 99.41% equity interests of Pteris Global Limited (“**Pteris**”) (the “**Pteris Acquisition**”). The Company issued 6,455,428,570 shares of the Company (“Shares”) at an issue price of HKD0.366 each and convertible bonds in the principal amount of RMB1,798,246,888 to the vendors of Pteris Acquisition pursuant to the sale and purchase agreement to effect the acquisition. The acquisition of Pteris has been accounted for as a reverse acquisition in accordance with HKFRS 3 “*Business Combinations*” by considering the terms of the sale and purchase agreement, relative voting rights, composition of the governing body and senior management of the enlarged group after the acquisition as well as the relative size of Pteris Group and CFE Group, etc.. Pteris, being the legal subsidiary, was deemed to be the accounting acquirer while the Company, being the legal acquirer, was deemed to be the accounting acquiree for accounting purpose. In this result announcement, CFE refers to the Company immediately before the completion of the Pteris Acquisition and CFE Group refers to the Company and its subsidiaries immediately before the completion of the Pteris Acquisition.

Also on 23 April 2018, the Company completed the acquisition of 30% equity interests in Shenzhen CIMC-TianDa Airport Support Ltd (深圳中集天達空港設備有限公司) (“**SZ TianDa**”) (the “**Tianda Acquisition**”) by the issuance of 1,014,679,470 Shares at an issue price of HKD0.366 each and convertible bonds in the principal amount of RMB294,886,806 to the vendor of Tianda Acquisition. SZ TianDa is a non-wholly owned subsidiary of Pteris.

Details of the Pteris Acquisition and Tianda Acquisition have been disclosed in the announcement and circular of CFE dated 4 December 2017 and 15 March 2018 respectively.

The consolidated financial statements of the Company for the year ended 31 December 2018 represented a continuation of the consolidated financial statements of Pteris, the accounting acquirer, and its subsidiaries (collectively the “**Pteris Group**”) and reflected the following:

- (a) The assets and liabilities of the Pteris Group were recognized and measured in the consolidated statement of financial position at their carrying amounts before the completion of the Pteris Acquisition;
- (b) The identifiable assets and liabilities of CFE Group were recognized and measured in the consolidated statement of financial position at their fair values at the completion date of the Pteris Acquisition;
- (c) The excess of the fair value of the consideration transferred by Pteris, the accounting acquirer, over the fair value of the identifiable assets and liabilities of CFE Group at the completion date of the Pteris Acquisition was recognized as goodwill in the consolidated statement of financial position;
- (d) The retained earnings and other equity balances recognized in the consolidated statement of financial position were the retained earnings and other equity balances of the Pteris Group immediately before the completion of the Pteris Acquisition;
- (e) The equity structure presented in the consolidated financial statements reflects the equity structure of CFE, including the equity interests CFE issued to effect the combination.

Accordingly, the equity structure of the consolidated financial statements is restated using the exchange ratio established in the acquisition agreement to reflect the number of shares and convertible bonds of CFE issued to Pteris' original shareholders in the reverse acquisition;

- (f) The liability component of convertible bonds is a distribution to the original shareholders of Pteris, who are effectively benefited from the liability component of the convertible bonds from the Pteris Acquisition.
- (g) The consolidated statement of profit or loss and the consolidated statement of other comprehensive income for the year ended 31 December 2018 reflected the combination of the results of the Pteris Group for the whole year and the results of the CFE Group after the completion of the Pteris Acquisition; and
- (h) The comparative figures presented in the consolidated financial statements were that of the Pteris Group.

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”). The consolidated financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance (Cap.622). 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 (“**FVPL**”), financial assets at fair value through other comprehensive income (“**FVOCI**”) and investment properties, which are carried at fair value.

#### ***Change in accounting policies***

The Group adopted HKFRS 9 and HKFRS 15 from 1 January 2018, which result in changes in accounting policies and adjustments to the amounts recognised in the consolidated financial statements.

In accordance with the transitional provisions in HKFRS 9, comparative figures have not been restated. As a consequence, any adjustments to carrying amounts of financial assets or liabilities are recognised at the beginning of the current reporting period, with the difference recognised in opening retained earnings. Provisions for impairment is not restated but reclassified in the comparative period.

The Group adopted HKFRS 15 using the modified retrospective approach which means that the cumulative impact of the adoption (if any) will be recognised in retained earnings as of 1 January 2018 and that the comparatives will not be restated.

The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been presented.

Balance sheet (extract)	At 31 December 2017 (as originally presented) RMB'000	Effects of adoption of HKFRS 9	Effects of adoption of HKFRS 15 RMB'000	At 1 January 2018 Restated RMB'000
<b>Current assets</b>				
Contract asset	-	-	191,774	191,774
Amounts due from contract customers	163,511	-	(163,511)	-
Trade receivables	932,056	(15,699)	(28,263)	888,094
Financial assets at FVOCI	-	15,699	-	15,699
<b>Current liabilities</b>				
Contract liabilities	-		511,650	511,650
Amounts due to contract customers	36,222		(36,222)	-
Trade and other payable	1,307,304		(475,428)	831,876

#### ***Change in presentation currency***

The consolidated financial statements of the Group for the year ended 31 December 2018 are presented in Renminbi (“**RMB**”), which is different from the presentation currency of Singaporean dollars (“**SGD**”) used in Pteris’ consolidated financial statements for the year ended 31 December 2017. Since most of the Group’s transactions are denominated and settled in RMB, especially after the completion of the Pteris Acquisition, the Board considered that the change in presentation currency to the functional currency of the Company give a more accurate picture of the Group’s financial performance.

The change in presentation currency of the consolidated financial statements from SGD to RMB was applied retrospectively in accordance with the Hong Kong Accounting Standard 8 “*Accounting Policies, Accounting Estimates and Errors*”, the comparative figures in the consolidated financial statements have been restated accordingly.

## 2 Net impairment losses on financial and contract assets

	2018 RMB'000	2017 RMB'000
Impairment loss allowance for trade receivables	24,035	5,428
Impairment loss allowance for other receivables	1,291	-
	<u>25,326</u>	<u>5,428</u>

## 3 Other income

	2018 RMB'000	2017 RMB'000
Rental income	43,453	27,947
Government grants	32,440	24,103
Sale of scrap materials	3,961	2,189
Interest income	2,103	2,003
Dividend income	31	49
Others	876	4,490
	<u>82,864</u>	<u>60,781</u>

## 4 Other gains/ (losses) - net

	2018 RMB'000	2017 RMB'000
Gains/(losses) on disposal of property, plant and equipment	123	(10)
(Losses)/gains on fair value of other financial assets	(1,540)	1,141
Gains on fair value of investment properties	601	1,058
Write-back of guarantees for third parties	-	2,150
Net foreign exchange gains/(losses)	17,656	(9,652)
Others	5,616	1,675
	<u>22,456</u>	<u>(3,638)</u>

## 5 Finance costs

	2018	2017
	RMB'000	RMB'000
Interest expenses on loans from related parties	9,602	2,972
Interest expenses on bank borrowings	8,057	4,197
Interest expenses on convertible bonds (note 13)	5,982	-
Others	-	98
	<u>23,641</u>	<u>7,267</u>

## 6 Income tax expense

Income tax expense has been recognised in profit or loss as follows:

	2018	2017
	RMB'000	RMB'000
Current income tax		
Current tax on profits for the year	32,387	14,671
Under-provision in prior years	355	2,489
	<u>32,742</u>	<u>17,160</u>
Deferred income tax	(8,883)	1,336
	<u>23,859</u>	<u>18,496</u>

## 7 Profit for the year

Profit for the year has been arrived at after charging the following:

	2018	2017
	RMB'000	RMB'000
Cost of inventories	1,593,496	860,867
Employee benefit expenses	389,896	290,608
Subcontracting expense	314,169	185,760
Amortisation of prepaid land lease payments	2,372	1,785
Amortisation of intangible assets	19,915	9,558
Depreciation of property, plant and equipment	44,596	34,592
	<u>2,364,445</u>	<u>1,366,169</u>

## 8 Earnings per share

	2018	2017
	RMB cent	RMB cent
Basic earnings per share	1.39	1.33
Diluted earnings per share	<u>1.01</u>	<u>0.70</u>

The calculations of the basic and diluted earnings per share are based on the following:

	2018	2017
	RMB'000	RMB'000
<b>Earnings</b>		
Profit attributable to equity holders of the Company for the purpose of calculating basic earnings per share (after taking into effect of the adjustment on reverse acquisition)	165,403	86,118
Finance costs saving on conversion of convertible bonds outstanding (net of tax)	<u>4,995</u>	<u>-</u>
Profit attributable to equity holders of the Company for the purpose of calculating diluted earnings per share	<u>170,398</u>	<u>86,118</u>
<b>Number of shares</b>	<b>'000</b>	<b>'000</b>
Weighted average number of ordinary Shares for the purpose of calculating basic earnings per share	11,915,738	6,455,429
Effect of dilutive potential ordinary Shares arising from convertible bonds outstanding	<u>4,953,751</u>	<u>5,780,286</u>
Weighted average number of ordinary Shares for the purpose of calculating diluted earnings per share	<u>16,869,489</u>	<u>12,235,715</u>

There was no dilutive effect of the share options granted to the earnings per share as the average market prices of the Shares for the years ended 31 December 2017 and 2018 were lower than the exercise price of the share options granted.

## 9 Dividends

The Board does not recommend the payment of a dividend for the year ended 31 December 2018 (2017: nil).

## 10 Trade receivables

	2018	2017
	RMB'000	RMB'000
Trade receivables	1,262,092	945,846
Bills receivables	-	15,699
Retention on construction contracts	<u>-</u>	<u>28,263</u>
Total trade receivables	1,262,092	989,808
Less: provision for impairment of trade receivables	<u>(81,787)</u>	<u>(57,752)</u>
	<u>1,180,305</u>	<u>932,056</u>

The Group allows an average credit period of 30 days to 180 days to its trade customers. The aging analysis of trade receivables, based on the invoice date, before provision for impairment at 31 December 2018 and 2017 are as follows:

	<b>2018</b>	2017
	<b>RMB'000</b>	RMB'000
Trade receivables - gross		
0 - 90 days	<b>692,234</b>	500,375
91 - 180 days	<b>193,432</b>	230,778
181 - 360 days	<b>168,063</b>	149,846
Over 360 days	<b>208,363</b>	108,809
	<b>1,262,092</b>	989,808

As at 1 January and 31 December 2018, bills receivable were classified as financial assets at FVOCI, as they are held in business model whose objective is achieved both by collecting contractual cash flows and selling of these assets.

As at 31 December 2018 and 2017, the fair value of the trade receivables of the Group approximated their carrying amounts.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The restatement of the loss allowance on transition to HKFRS 9 on 1 January 2018 was immaterial.

The loss allowance increased by a further RMB57,752,000 (as at 1 January 2018) to RMB81,787,000 (as at 31 December 2018) for trade receivables.



## 11 Share capital

	Number of Shares	Amount (HKD'000)
Authorised:		
Shares of HKD0.01 each at 1 January 2018	10,000,000,000	100,000
Increase in authorised capital (Note i)	<u>40,000,000,000</u>	<u>400,000</u>
Shares of HKD0.01 each at 31 December 2018	<u><u>50,000,000,000</u></u>	<u><u>500,000</u></u>
		<b>RMB'000</b>
Issued and fully paid:		
At 31 December 2017 and 1 January 2018 (Note ii)	6,455,428,570	51,753
Issuance of ordinary Shares pursuant to reverse acquisition (Note iii)	4,078,571,430	39,977
Issuance of consideration Shares to acquire a non-controlling interest (Note iv)	1,014,679,470	8,135
Issuance of Shares pursuant to a subscription agreement (Note v)	673,225,000	5,448
Issuance of Shares pursuant to conversion of convertible bonds by bondholders (Note vi)	<u>2,250,000,000</u>	<u>18,209</u>
At 31 December 2018	<u><u>14,471,904,470</u></u>	<u><u>123,522</u></u>

Note i: Pursuant to the ordinary resolution passed by the Independent Shareholders of CFE (as defined in the circular of CFE dated 15 March 2018) at the extraordinary general meeting of CFE on 11 April 2018, the authorised share capital of the Company increased from 10,000,000,000 shares of HKD0.01 each to 50,000,000,000 shares of HKD0.01 each.

Note ii: In accordance with the reverse acquisition accounting as per HKFRS 3 “*Business Combination*”, the equity structure of Pteris (the accounting acquirer) is restated using the exchange ratio established in the agreement of the Pteris Acquisition to reflect the number of shares of CFE (the accounting acquiree) issued to the vendors of the Pteris Acquisition in the reverse acquisition, being 6,455,428,570 Shares at HKD0.38 each (the closing trading price of shares of CFE at date of completion of the Pteris Acquisition, i.e. 23 August 2018).

Note iii: The fair value of the consideration transferred by Pteris, as the accounting acquirer, in relation to the Pteris Acquisition at the date of completion (Note 14), which was determined using the fair value of the issued equity of CFE immediately before the completion of the Pteris Acquisition, being 4,078,571,430 shares of CFE in issue at HKD0.38 each (the closing trading price of shares of CFE at date of completion of the Pteris Acquisition, i.e. 23 August 2018).

Note iv: Shares issued to satisfy part of the consideration for acquisition of the 30% equity interests in SZ TianDa at completion date of the Tianda Acquisition, i.e. 23 April 2018.

Note v: Shares issued to State-Owned Enterprise Structural Adjustment China Merchants Buyout Fund (Limited Partnership) (深圳國調招商併購股權投資基金合夥企業(有限合夥)), a limited partnership established in the PRC, at HKD0.366 per share pursuant to the Subscription Agreement dated 6 February 2018. Details of the subscription have

been shown in the announcement and circular of the Company dated 6 February 2018 and 15 March 2018 respectively.

Note vi: Shares issued upon conversion of convertible bonds with an aggregate principal value of RMB699,975,000 at an initial conversion price of HKD0.366 per share, equivalent to RMB0.3111 per share at the agreed fixed exchange rate of HKD1: RMB0.85 (the “**Initial Conversion Price**”) (Note 13).

## 12 Trade and other payables

	2018 RMB'000	2017 RMB'000
<b>Current</b>		
Trade payables	762,871	435,030
Dividends payable (Note)	74,899	72,402
Convertible bonds interests payable	986	-
Staff salaries, bonuses and welfare payables	84,855	40,344
Advances received	-	475,428
Accruals and other payables	379,544	284,100
	<u>1,303,155</u>	<u>1,307,304</u>
<b>Non-current</b>		
Advances received	10,954	11,324
Other payables	3,498	4,131
	<u>14,452</u>	<u>15,455</u>

Note: The dividends payable represented (i) the unpaid dividends to China International Marine Containers (Hong Kong) Ltd, the then shareholder of a subsidiary of the Company, which were declared in the financial years of 2011 and 2013; and (ii) the unpaid dividends to Beijing Bawei Airport support Co., Ltd., a non-controlling shareholder of Xinfra Airport Equipment Ltd., a subsidiary of the Company, which were declared in the financial years of 2017 and 2018.

The aging analysis of trade payables, based on the date of receipt of goods, is as follows:

	2018 RMB'000	2017 RMB'000
0 - 60 days	338,942	113,462
61 - 120 days	214,357	152,439
121 - 240 days	88,765	119,669
Over 240 days	120,807	49,460
	<u>762,871</u>	<u>435,030</u>

### 13 Convertible bonds

The Company issued convertible bonds with aggregate principal amount of RMB1,798,246,888 and RMB294,886,806 on 23 April 2018, to satisfy part of the consideration for the Pteris Acquisition and Tianda Acquisition, respectively. The convertible bonds are to be matured on the 22 April 2048, being the 30th anniversary of the issue date. They bear interest from and including the issue date at 0.1% per annum, payable annually in arrear on each anniversary from the issue date. Subject to the terms and condition of the convertible bonds, each bondholders has the right to convert the bonds into shares of the Company credited as fully paid at any time from the issue date to maturity date, at the Initial Conversion Price.

The estimated fair value of the convertible bonds issued, as calculated using the Binomial pricing model, was approximately RMB2,177,015,000 at the date of issue and have been split between the liability component and an equity component. During the year ended 31 December 2018, convertible bonds with an aggregate principal value of RMB699,975,000 has been converted into Shares at the Initial Conversion Price. The value of the liability component of the convertible bonds at 31 December 2018 is as follows:

	<b>RMB'000</b>
Fair value of the convertible bonds at date of issue	
- to the vendors of Pteris Acquisition	1,870,311
- to the vendor of Tianda Acquisition	306,704
-	<u>2,177,015</u>
Equity component	<u>(2,057,684)</u>
Liability component at date of issue	119,331
Conversion into shares of the Company	(40,000)
Interest charged (note 5)	5,982
Interest payable	<u>(986)</u>
Liability component at 31 December 2018	<u><u>84,327</u></u>

The inputs into the model of valuation of the convertible bonds at 23 April 2018, the date of issue, are as follows:

Share price	RMB0.3230
Conversion price	RMB0.3111
Expected volatility	51%
Expected life	30 years
Risk free rate	4.07%
Expected dividend yield	Nil

## 14 Acquisition of subsidiaries

As stated in the “Basis of preparation” in note 1 to the consolidated financial statements, the Group completed the Pteris Acquisition on 23 April 2018, which has been accounted for as a reverse acquisition in accordance with HKFRS 3 “*Business Combinations*”. Accordingly, CFE, being the legal acquirer, was deemed to be the accounting acquiree for accounting purpose. The excess of fair value purchase consideration over the identifiable net assets of CFE Group at fair value is recognized as goodwill in the consolidated statement of financial position.

	<b>At date of acquisition At fair value RMB'000</b>
<i>Purchase consideration:</i>	
Issuance of ordinary shares pursuant to reverse acquisition	1,242,520
<i>Identifiable assets acquired and liabilities assumed of:</i>	
Prepaid land lease payments	44,919
Property, plant and equipment	186,950
Intangible assets	38,479
Deferred tax assets	10,278
Investments in an associate	565,090
Inventories	255,569
Trade receivables	213,817
Contract assets	42,272
Prepayment, deposits and other receivables	109,433
Pledged bank deposits	8,167
Bank and cash balances	78,050
	<u>1,553,024</u>
Trade and other payables	(247,843)
Contract liabilities	(94,602)
Provision	(6,243)
Current tax liabilities	(1,399)
Deferred tax liabilities	(11,682)
	<u>(361,769)</u>
Net identifiable assets	1,191,255
Add: Goodwill	51,265
	<u>1,242,520</u>
Total purchase consideration	<u>1,242,520</u>

	<b>At date of acquisition At fair value RMB'000</b>
<i>Effect on cash flows of the Group</i>	
Cash paid	-
Less: Cash and cash equivalents in subsidiaries acquired	(78,050)
	<hr/>
Net cash inflow arising from acquisition	78,050
	<hr/> <hr/>

## 15 Events occur after year end

On 20 July 2018, the Group entered into an equity transfer agreement with CIMC TianDa Holdings (Shenzhen) Co., Ltd., a fellow subsidiary of the Group, to acquire 10% equity interests in Shenzhen CIMC Huijie Supply Chain Co., Ltd. (深圳中集匯杰供應鏈有限公司) (“**Huijie**”). The acquisition of Huijie was completed on 11 January 2019 and therefore the financial effects of the acquisition was not recognised for the year ended 31 December 2018. Huijie will be accounted for as an associate of the Group as it has significant influence by the representations on the board of directors of Huijie.

On 28 August 2018, the Group entered into an equity transfer agreement with CIMC TianDa Holdings (Shenzhen) Co., Ltd., to acquire 5% equity interests in 5% of the equity interests in Shenzhen CIMC Tongchuang Supply Chain Co., Ltd. (深圳中集同創供應鏈有限公司) (“**Tongchuang**”). The acquisition of Tongchuang was completed on 11 January 2019 and therefore the financial effects of the acquisition was not recognised for the year ended 31 December 2018. The Group will account for the investment in Tongchuang as a financial asset at fair value through profit or loss.

## SEGMENT INFORMATION

The Group has the following four reportable segments:

- Passengers boarding bridge and automated parking system: the manufacture and sale of passenger boarding bridges and automated vehicle parking systems;
- Ground support equipment: the manufacturing and sale of airport ground support equipment
- Logistic system business: the provision of engineering and computer software solutions for baggage, cargos and materials handling and warehousing systems; and
- Fire engines and fire prevention and fighting equipment: the production and sale of fire engines; and fire prevention and fighting equipment.

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different production techniques and marketing strategies. The Group's Chief Executive Officer ("CEO") manages and monitors the businesses of each business units and reviews the internal management reports on a quarterly basis at least. Reportable segments are identified based on the reports reviewed by the CEO that are used for making strategic decisions, allocating resources and assessing performance.

The accounting policies of the reportable segments are the same as those adopted in preparing the consolidated financial statements.

**SEGMENT INFORMATION (cont'd)**

Information about operating segment profit or loss, assets and liabilities :

For the year ended 31 December 2018

	Passenger boarding bridge and automated parking system RMB'000	Ground support equipment RMB'000	Logistic system business RMB'000	Fire engines and fire prevention and fighting equipment RMB'000	Total RMB'000
<b>REVENUE</b>					
External sales	1,118,319	238,991	881,142	547,969	2,786,421
<b>Timing of revenue recognition</b>					
At a point in time	1,002,321	238,908	280,355	540,112	2,061,696
Over time	115,998	83	600,787	7,857	724,725
	1,118,319	238,991	881,142	547,969	2,786,421
<b>RESULTS</b>					
Reportable segment profit before income tax	163,543	9,499	19,364	23,631	216,037
Unallocated corporate expenses					(9,762)
Interest expenses on convertible bonds					(5,982)
Share of loss of associates					(3,816)
Profit before income tax					196,477
Income tax expense					(23,859)
Profit for the year					172,618

**SEGMENT INFORMATION (cont'd)****Information about operating segment profit or loss, assets and liabilities (cont'd):****For the year ended 31 December 2018**

	<b>Passenger boarding bridge and automated parking system RMB'000</b>	<b>Ground support equipment RMB'000</b>	<b>Logistic system business RMB'000</b>	<b>Fire engines and fire prevention and fighting equipment RMB'000</b>	<b>Total RMB'000</b>
<b>Other information:</b>					
<b>Depreciation of property, plant and equipment</b>	<b>22,344</b>	<b>4,518</b>	<b>9,644</b>	<b>8,090</b>	<b>44,596</b>
<b>Amortisation of intangible assets and prepaid land lease payments</b>	<b>10,686</b>	<b>287</b>	<b>1,540</b>	<b>9,774</b>	<b>22,287</b>



**SEGMENT INFORMATION (cont'd)****Information about operating segment profit or loss, assets and liabilities (cont'd):**

For the year ended 31 December 2017

	Passenger boarding bridge and automated parking system RMB'000	Ground support equipment RMB'000	Logistic system business RMB'000	Total RMB'000
<b>REVENUE</b>				
External sales	940,228	203,802	518,655	1,662,685
Timing of revenue recognition				
At a point in time	784,212	203,802	187,570	1,175,584
Over time	156,016	-	331,085	487,101
	940,228	203,802	518,655	1,662,685
<b>RESULTS</b>				
Reportable segment profit before income tax	118,119	10,734	9,324	138,177
Income tax expense				(18,496)
Profit for the year				119,681
Other information:				
Depreciation of property, plant and equipment	25,684	1,102	7,806	34,592
Amortisation of intangible assets and prepaid land lease payments	10,648	338	357	11,343

**SEGMENT INFORMATION (cont'd)**

**Information about operating segment profit or loss, assets and liabilities (cont'd):**

**As at 31 December 2018**

	<b>Passenger boarding bridge and automated parking system RMB'000</b>	<b>Ground support equipment RMB'000</b>	<b>Logistic system business RMB'000</b>	<b>Fire engines and fire prevention and fighting equipment RMB'000</b>	<b>Unallocated RMB'000</b>	<b>Total RMB'000</b>
<b>Assets</b>						
<b>Reportable segment assets</b>						
Trade receivables	605,042	78,008	221,159	276,096	-	1,180,305
Inventories	409,155	80,817	45,324	256,234	-	791,530
Property, plant and equipment	298,699	88,928	178,991	179,690	-	746,308
Contract assets	131,740	-	239,734	38,730	-	410,204
Intangible assets	97,031	2,292	128,490	80,706	-	308,519
Investment properties	70,173	-	180,896	-	-	251,069
Prepaid land lease payments	36,875	11,066	21,149	44,184	-	113,274
Financial assets at FVOCI	22,065	-	-	-	-	22,065
Investment in associates	-	-	-	-	734,358	734,358
Pledged bank deposits	-	-	-	-	10,628	10,628
Cash and cash equivalents	-	-	-	-	468,607	468,607
Prepayment and other receivables	-	-	-	-	432,435	432,435
Other non-current assets	-	-	-	-	358,316	358,316
Deferred income tax assets	-	-	-	-	44,055	44,055
Amounts due from related parties	-	-	-	-	29,337	29,337
	<b>1,670,780</b>	<b>261,111</b>	<b>1,015,743</b>	<b>875,640</b>	<b>2,077,736</b>	<b>5,901,010</b>

**SEGMENT INFORMATION (cont'd)**

**Information about operating segment profit or loss, assets and liabilities (cont'd):**

As at 31 December 2018

	Passenger boarding bridge and automated parking system RMB'000	Ground support equipment RMB'000	Logistic system business RMB'000	Fire engines and fire prevention and fighting equipment RMB'000	Unallocated RMB'000	Total RMB'000
<b>Liabilities</b>						
<b>Reportable segment liabilities</b>						
Trade payables	255,749	55,787	182,089	269,246	-	762,871
Contract liabilities	417,286	7,144	59,357	151,643	-	635,430
Provisions	40,646	13,943	20,874	8,459	-	83,922
Borrowings	-	-	-	-	544,885	544,885
Other payables	-	-	-	-	554,736	554,736
Amounts due to related parties	-	-	-	-	75,212	75,212
Convertible bonds	-	-	-	-	84,327	84,327
Current income tax liabilities	-	-	-	-	52,428	52,428
Deferred income	-	-	-	-	66,619	66,619
Deferred income tax liabilities	-	-	-	-	18,251	18,251
	<b>713,681</b>	<b>76,874</b>	<b>262,320</b>	<b>429,348</b>	<b>1,396,458</b>	<b>2,878,681</b>

**SEGMENT INFORMATION (cont'd)****Information about operating segment profit or loss, assets and liabilities (cont'd):**

As at 31 December 2017

	Passenger boarding bridge and automated parking system RMB'000	Ground support equipment RMB'000	Logistic system business RMB'000	Unallocated RMB'000	Total RMB'000
Assets					
Reportable segment assets					
Trade receivables	670,676	71,210	190,170	-	932,056
Inventories	394,209	78,979	37,316	-	510,504
Property, plant and equipment	357,021	90,092	104,077	-	551,190
Amounts due from contract customers	-	-	163,511	-	163,511
Intangible assets	101,257	2,022	126,036	-	229,315
Investment properties	69,576	-	176,444	-	246,020
Prepaid land lease payments	37,812	11,307	21,608	-	70,727
Pledged bank deposits	-	-	-	518	518
Cash and cash equivalents	-	-	-	220,340	220,340
Prepayment and other receivables	-	-	-	134,171	134,171
Other non-current assets	-	-	-	4,019	4,019
Deferred income tax assets	-	-	-	21,491	21,491
Amount due from related parties	-	-	-	30,861	30,861
Other financial assets	-	-	-	2,202	2,202
	<u>1,630,551</u>	<u>253,610</u>	<u>819,162</u>	<u>413,602</u>	<u>3,116,925</u>

**SEGMENT INFORMATION (cont'd)****Information about operating segment profit or loss, assets and liabilities (cont'd):**

As at 31 December 2017

	Passenger boarding bridge and automated parking system RMB'000	Ground support equipment RMB'000	Logistic system business RMB'000	Unallocated RMB'000	Total RMB'000
Liabilities					
Reportable segment liabilities					
Trade payables	229,793	66,758	138,479	-	435,030
Amounts due to contract customers	-	-	36,222	-	36,222
Other payables	426,808	11,226	35,451	414,244	887,729
Provisions	36,834	11,612	31,334	-	79,780
Borrowings				112,731	112,731
Amount due to related parties				3,809	3,809
Current income tax liabilities	-	-	-	15,655	15,655
Deferred income	-	-	-	76,894	76,894
Deferred income tax liabilities	-	-	-	3,306	3,306
	<u>693,435</u>	<u>89,596</u>	<u>241,486</u>	<u>626,639</u>	<u>1,651,156</u>

## SHARE OPTIONS

As at 31 December 2018, the Company had the following share options outstanding which were granted to certain directors of the Company and full time employees of the Group in accordance with the terms of the share option scheme of the Company adopted on 29 May 2009.

**Number of shares of HKD0.01 each of the Company issuable under the options**

<b>Grantees</b>	<b>Outstanding at 1 January 2018</b>	<b>Granted during the year</b>	<b>Exercised during the year</b>	<b>Outstanding at 31 December 2018</b>	<b>Exercise price (HKD)</b>	<b>Percentage of issued share capital of the Company</b>
<i>Directors of the Company</i>						
Mr. Jiang Xiong	4,000,000	-	-	4,000,000	0.42	0.028%
Dr. Loke Yu	4,000,000	-	-	4,000,000	0.42	0.028%
Mr. Heng Ja Wei	4,000,000	-	-	4,000,000	0.42	0.028%
Mr. Ho Man	2,000,000	-	-	2,000,000	0.42	0.014%
	14,000,000	-	-	14,000,000		0.098%
Other employees	101,625,000	-	-	101,625,000	0.42	0.702%
	<u>115,625,000</u>	<u>-</u>	<u>-</u>	<u>115,625,000</u>		<u>0.8%</u>

The shares options outstanding at 1 January 2018 and 31 December 2018 were granted to the grantees on 26 August 2015. They will be valid for 10 years from 26 August 2015 to 25 August 2025 (both dates inclusive). The share options granted were all vested on 11 July 2017.

Save as disclosed, no share options were granted, exercised, cancelled or lapsed during the year ended 31 December 2018.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business review

The Group's business scope has been expanded to a great extent since the completion of the Pteris Acquisition in April 2018. In addition to the manufacture and sale of fire engines and fire equipment and related services, it has been engaged also in the design, manufacturing and sale of the four major types of products below and provision of related services.

- (1) Passenger boarding bridges (PBB) for connecting airport terminals to commercial aircrafts;
- (2) Airport ground support equipment (GSE) such as airport apron buses, aircraft catering vehicles, cargo loaders and other specialised vehicles;
- (3) Logistics (baggage, material and warehouse handling systems or MHS) which comprises systems for sorting, handling, transportation and storing and retrieval of different types of baggage, cargo and goods and materials; and
- (4) Automated parking systems (APS), including vertical lifting parking systems, aisle stacking parking systems, vertical and horizontal carriage parking systems and lift-only parking systems.

Because of the reverse accounting treatment required by *HKFRS 3 "Business Combination"* as detailed in Note 1 "Basis of preparation" to the condensed consolidated financial statements, to correspond with the consolidated financial statements, the discussion and analysis on PBB, GSE, MHS and APS were that for the full year of 2018 and the fire engines and fire equipment were for the period since the Pteris Acquisition to end of the year 2018. The comparative figures represented those of Pteris unless otherwise specified.

The Group reported a record high revenue of RMB2,786.4 million for the year, represented a growth of 67.6% as compared to the that for last year. If revenue generated from the fire engines and fire equipment business of RMB548.0 million were excluded, revenue of the Group, as generated by the PBB, GSE, APS and MHS segments, would still grow by 34.6% to RMB2,238.4 million. With the increase in revenue, the Group reported profit amounted to RMB172.6 million for the year, an increase of 44.2% from that for 2017. The Group's revenue and profit for the year, analysed by business segments are as follows:

#### *Passenger boarding bridge (PBB) and automated parking systems (APS)*

Revenue: RMB1,118.3 million (2017: RMB940.2 million); segment profit: RMB163.5 million (2017: RMB118.1 million)

Revenue of PBB increased mainly because of the increase in amount of contracts completed during the year as the Group has taken measures to shorten the time of completing contracts and therefore speed up the revenue and profit recognition. Measures included:

- (i) Reduce the equipment hardware production time by subcontracting the production of some of the fixed bridges (connecting the terminal to the passengers boarding bridges) so as to release capacity for the production of boarding bridges (connecting the fixed bridges to the aircrafts) which require more production techniques; and
- (ii) Reduce the installation time by recruiting addition workers for installation implementations and outsource the installation works of some projects to subcontractors.

Although the Group ranks top in the world market of passenger boarding bridges, it is facing fierce competition and challenges. To maintain its leading position, the Group is dedicated to:

- (i) Expand its after-sales services team including setting up new service centres in Europe and the Middle East to capture the share in the growing after-sales services market, particularly the bridges renovation business;
- (ii) Extend the value chain by providing other equipment such as the pre-conditioned air units; and
- (iii) Develop new value-added products such as the Smart Bridge System and Visual Docking Guidance System (VDGS) which were designed to guide the aircraft docking and the connection of passengers boarding bridges to aircraft doors automatically with no manual intervention so as to enhance the reliability and to save labour costs in airports operation.

For the APS business, despite that it has contributed no profit to the Group, its mechanical intelligent stereo bus parking system (機械式智慧公交車立體停車庫) and the self-developed technology of multifunctional station of electric bus parking system (新能源大巴立體停車綜合場站技術), the pioneer in the market, is expected to deliver value to the Group soon.

#### *Ground support equipment (GSE)*

Revenue: RMB239.0 million (2017: RMB203.8 million); segment profit: RMB9.5 million (2017: RMB10.7 million)

Leveraging on the success of the PBB business, the Group's GSE business has been developed steadily since start-up. Revenue growth for the year mainly came from the sale of cargo loaders in the PRC since some of the manufacturing process have been moved from France to Beijing in the PRC. The expanded production capacity and volume has have enhanced the product's competitiveness. To meet the worldwide aspiration for green environment, the Group has been focusing on developing electric GSE vehicles in recent years. The electric bidirectional apron bus has been successfully developed and launched during the year. More resources are being input to accelerate the development of other electric vehicles. The Group is also testing the application of lighter materials, such as aluminum, for production of vehicle compartments of apron buses to save energy consumption through weight reduction.

#### *Logistics (baggage, material and warehouse handling systems or MHS)*

Revenue: RMB881.1 million (2017: RMB518.7 million); segment profit: RMB19.4 million (2017: RMB9.3 million)

Revenue increase for the year mainly came from (i) certain projects in India, a newly developed market, completed during the year; and (ii) increase in number of projects completed in US as the project management team has been strengthened by the replacement of certain project managers. Profit margin of the segment, although improved because of the enhanced efficiency in project implementation in the US, is still low as it is burdened by the consequences of the previously poor management of the US projects. To improve the profitability of the business segment, the Group has, on one hand, concentrate to develop markets with good profit potential and to accelerate the standardization and modularization of all production components, and on the other, focus on enhancing the Group's overall project management standards.



During the year, leveraging on the Belt and Road Initiative, the Group has successfully solicited orders from certain African countries. Since the Group acquired the sorting devices technology in 2017, there was big advancement in technological standards and market position of the Group's MHS business in the different fields which involves the sorting and handling of millions of parcels, such as the airport baggage and cargos handling. The Group's automated warehousing system which allows the stacking, shelving, sorting, retrieving and delivery in a warehouse all made automatic through an intelligent management system, has successfully been applied to enterprises in different industries including pharmacy, e-commerce, home decorations and furniture, chemicals, food and cold chain. The broadened market coverage has brought the Group big potential for further revenue and profit advancement.

*Fire engines and fire prevention and fighting equipment*

Revenue: RMB548.0 million; segment profit: RMB23.6 million

Because of the reverse acquisition accounting adopted, the fire engines and fire equipment business of CFE was deemed to be acquired and thus, revenue and profit reported were the amount for the year commenced after completion of the Pteris Acquisition and up to 31 December 2018. If the reverse acquisition accounting had not been taken into effect, revenue derived from fire engines and fire equipment for the whole year from 1 January to 31 December 2018 would have grown by 25.0% to RMB660.7 million as compared to the corresponding period in 2017. Segment profit for the full year of 2018 would have been RMB52.4 million, an increase of 4.7% over that for 2017, had the additional costs and expenses in relation to the fair value adjustments at acquisition completion been discarded. Revenue increased because the number of fire engines sold during the year increased, which was due to (i) certain large orders obtained from the fire brigades in the PRC; and (ii) fire engines sold to CIMC as it opens a new business line of leasing fire engines. There was only limited growth in profit despite the significant increase in revenue because expenditure on research and development were increased for the year and additional impairment provision for trade receivables and other receivables were made due to the implementation of the new HKFRS 9 "*Financial Instruments*".

To speed up the development of the fire engines and equipment business and to better serve the customers, the Group has been powering up its product and service development capability, enriching its product portfolio and extending its geographical range through strengthening its internal development function and acquisitions. Internally, all fire engines manufactured since second half of 2018 have installed the Vehicles Network Management System, through which real-time operational data of the fire engines will be transmitted and stored in a server through Internet of Things (IoT). Customers and the Group's customer service teams, through the back office data analysis, can obtain the latest information about the location and operational condition of the fire engines for efficient management of the fire engines. For external acquisitions, as detailed in the section "*Investments, capital commitments, contingent liabilities and pledge of assets - Investments*" below, the Group has entered into agreements to acquire 60% equity interests in Shenyang Jietong Fire Truck Co., Ltd.\* ("**Shenyang Jietong**") (瀋陽捷通消防車有限公司) and the entire equity interests in Shanghai Jindun Special Vehicle Equipment Co. Ltd.\* ("**Shanghai Jindun**") (上海金盾特種車輛裝備有限公司) during the year. Both Shenyang Jietong and Shanghai Jindun are renowned fire engines manufacturers in the PRC with large range of products and significant market share. Upon completion of the acquisition, apart from the revenue and profit contributions, the Group will also gain from the synergy effects of the enlarged market, production capacity, product variety and technological know-how sharing.

## Financial resources and liquidity

The Group had a negative net cash balance at 31 December 2018 of approximately RMB65.7 million (2017: positive net cash balance of RMB108.1 million) which was broken down as follows:

	<b>2018</b>	2017
	<b>RMB'000</b>	RMB'000
Cash and cash equivalent	<b>468,607</b>	220,340
Pledged bank deposits	<b>10,628</b>	518
	<b>479,235</b>	220,858
Borrowings:		
- from bank	<b>(274,885)</b>	(112,731)
- from related parties	<b>(270,000)</b>	-
	<b>(544,885)</b>	(112,731)
Net cash and cash equivalent	<b>(65,650)</b>	108,127

The pledged bank deposits at 31 December 2018 were mainly pledged for bid bond guarantee, performance guarantee and guarantee for letter of credit issued. The Group's major cash outflow for the year mainly came from the prepayment of approximately RMB354.5 million was made for the acquisition of Shenyang Jietong and Shanghai Jindun and the payment of approximately RMB150 million for the subscription of the enlarged share capital of CIMC Finance (details of the acquisitions and investment have been set out in the section "Investments, capital commitments, contingent liabilities and pledge of assets – Investment" below). The slower-than-expected turnover rate of trade receivables as customers delay payment, which was the direct effect of the tight credit in the global economy in recent years, has also adversely affected the Group's cash flow position. The Group has linked up receivables collection with results of performance evaluation and thus bonus and pay rise of relevant management and sales representatives in an attempt to improve the turnover rate of trade receivables.

The Group's borrowings outstanding as at 31 December 2018 were all short term in nature and repayable in 2019. Their repayment is expected to be financed by internal funds generated from operating activities and new loans. As at 31 December 2018, current assets and current liabilities of the Group were approximately RMB3,345.1 million (31 December 2017: RMB1,994.2 million) and RMB2,695.0 million (31 December 2017: RMB1,555.5 million) respectively. The current ratio was approximately 1.2 times (31 December 2017: 1.3 times). The decrease in current ratio was mainly due to the increase in short term loans borrowed to finance the Group's working capital. The new borrowings raised during the year, plus the convertible bonds issued to settle part of the consideration for Pteris Acquisition and Tianda Acquisition, have driven up the Group's gearing ratio, which was calculated as interest bearing debt / total equity, from 7.7% at 31 December 2017 to 20.8% at 31 December 2018. To improve the Group's short term financial stability, the management is negotiating with banks for long term project loans to finance the up-coming payments of Group's acquisitions. The management is also considering different options to raise the proportion of capital financing including but not limited to placement of new shares, if the market condition allows.

Some of the Group's revenue and costs and expenses are settled in currencies other than the functional currencies of the Group's subsidiaries. To mitigate exposure to exchange rates volatility, the Group enters into forward foreign currency contracts.

Save as disclosed, the Group had no material contingent liabilities or pledge of assets as at 31 December 2018.

### **Investments, capital commitments, contingent liabilities and pledge of assets**

#### *Investments*

Apart from the Pteris Acquisition and Tianda Acquisition, the Group has the following investments during the year:

1. On 20 July 2018, the Group entered into an agreement to subscribe for RMB97,000,000 newly increased registered capital of CIMC Finance, representing 10.54% equity interests of its enlarged registered share capital, at a cash consideration of RMB149,995,328.18. The Group expects that the investment will strengthen the relationship between the Group and CIMC Finance, from which the Group can have better financial support. Besides, the investment also provides an additional income stream to the Group given the sound financial track records of CIMC Finance. CIMC Finance was accounted for as an associate of the Group and has contributed profit of approximately RMB887,000 to the Group since the subscription to its enlarged registered capital were completed at beginning of December 2018.
2. On 20 July 2018, the Group entered into an equity transfer agreement to acquire 10% equity interests in Huijie from a subsidiary of CIMC, at a cash consideration of RMB10,000,000. Huijie is a newly established company and an indirect wholly owned subsidiary of CIMC. It is principally engaged in the trading of ancillary materials for production such as chemical materials, paint, engine oil etc., provision of hazardous waste treatment services, and machinery repairing and maintenance services. Taking advantage of the solid relationship that CIMC has built up with suppliers, Huijie has established robust sourcing channels. The investment is expected to secure a consistent and reliable supply of ancillary materials and products and services from Huijie for the Group's production activities through foster a closer relationship with Huijie. The investment in Huijie was completed in January 2019.
3. On 31 July 2018, the Group entered into an equity transfer agreement, pursuant to which, the Group will acquire 60% equity interests in Shenyang Jietong, a company principally engaged in the manufacturing of fire engines and is a leading manufacturer of aerial lifting fire trucks in the PRC, at cash consideration of RMB600,000,000. The consideration is payable in three instalments and subject to deductions in accordance with the terms of the agreement, including the profit guarantee given by the vendors in particular. In addition to the financial contributions, the investment is expected to provide an excellent opportunity for the Group to strengthen its portfolio of fire engines and enlarge its geographical market coverage and production capacity. Moreover, it would allow the Group to have access to Shenyang Jietong's research and know-how, which the Group could leverage on to further accelerate the pace of its business development.

4. On 28 August 2018, the Group entered into an equity transfer agreement to acquire 5% equity interests in Tongchuang from a subsidiary of CIMC, at a cash consideration of RMB10,000,000. Tongchuang is principally engaged in (i) sale and trading of steel and aluminum products; and (ii) provision of supply chain management services. Taking advantage of the solid relationship that CIMC has built up with suppliers, Tongchuang has established strategic collaborations with domestic steel plants in the PRC. The investment is expected to secure a consistent and reliable supply of steel products and services from Tongchuang for the Group's production activities through foster a closer relationship with Tongchuang. The investment in Tongchuang was completed in January 2019.
5. On 19 October 2018, the Group entered into an equity transfer agreement, pursuant to which, the Group will acquire the entire equity interests in Shanghai Jindun, a company principally engaged in the manufacturing of fire engines and equipment, at a consideration of RMB381,800,000, 60% of which in cash and the remaining 40% by 551,564,448 new shares of the Company at an issue price of HK\$0.3133 each. The consideration is payable in four instalments and subject to deductions in accordance with the terms of the agreement, including the profit guarantee given by the vendors in particular. Apart from the financial contributions, the investment is expected to provide strengthen the Group's portfolio of fire engines and enlarge its production capacity geographical market coverage, especially in the south-eastern costal area of the PRC and the Yangtze River Delta region.

The completion of the investments in (3) and (5) are subject to conditions precedent in their respective agreements which include, in particular, the approval of shareholders in the extraordinary general meeting of the Company to be convened.

#### *Capital commitment*

Apart from the consideration to be paid in respect of the investments detailed in the subsection "*Investments*" above which amounted to approximately RMB647.3 million (net of prepayment of approximately RMB354.5 million paid), as at 31 December 2018, the Group had capital commitment in respect of:

- (i) Construction of properties amounted to approximately RMB58.2 million (2017: RMB158.1 million), (amount approved but not contracted for); and
- (ii) Investment amount committed to the local government of the county in Sichuan where one of the Group's factory is located amounted to approximately RMB5.2 million.

Save as disclosed herein, the Group has no material capital commitment, contingent liabilities and pledged of assets as at 31 December 2018 and has no material investments, acquisitions or disposals during the year ended 31 December 2018.

## Employees and remuneration policies

For the year ended 31 December 2018, the Group had 2,523 staff (2017: 1,734) and incurred staff costs (excluding directors' remuneration) of approximately RMB384.6 million (2017: RMB288.1 million). Number of staff increased mainly due to the business combination of CFE and Pteris and additional staff hired due to increased orders, especially for PBB and MHS. Apart from the increase in number of staff, staff costs rose because of annual salaries adjustments and increase in expenditure on other benefits. Staff are remunerated by a monthly salaries payment plus performance incentives payable quarterly or yearly. All full-time employees are entitled to medical, provident funds and housing funds contributions. The Group adopted share option schemes which offer eligible employees an incentive for better performance and loyalty with the Group.

The Group arranges in-house trainings periodically to staff at all levels according to their needs, like orientations on corporate culture, policies, products knowledge and basic job skills for new staff; leadership, management and strategic planning skills for managerial staff; and seminars and workshops on selected topics like project management, costs management, business planning and work safety. Employees may apply for subsidies to participate in job relevant trainings offered by recognized institutions.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST IN THE COMPANY'S SECURITIES

Save as disclosed below, as of 31 December 2018, none of the directors or chief executive has any interest or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Cap. 571 of the Laws of Hong Kong) ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO to be entered in the register required to be kept therein or which were required, pursuant to the Model Code for Securities Transactions by directors of Listed Companies of the Listing Rules, to be notified to the Company and the Stock Exchange.

### Long positions in ordinary shares of the Company

<b>Name of Director</b>	<b>Capacity and types of interest</b>	<b>Number of issued shares of HKD0.01 each of the Company held</b>	<b>Percentage of issued share capital of the Company</b>
Mr. Jiang Xiong	Beneficial owner	981,600,000	6.78%

### Options to subscribe for ordinary shares in the Company

Certain directors of the Company were granted share options which when exercised were eligible to subscribe for, in total, 14,000,000 shares of the Company. Details of the share options granted has been set out in the section "SHARE OPTIONS" to this announcement.

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND / OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES OF THE COMPANY

As at 31 December 2018, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors of the Company, the following shareholders had notified the Company of their relevant interests in the issued share capital of the Company.

### Long positions in the ordinary shares and shares interested under equity derivatives of the Company

Shareholders	Capacity/ type of interest	Number of shares interested <i>(Note 10)</i>	Percentage of issued shares <i>(Note 10)</i>	Number of shares interested under equity derivatives <i>(Note 11)</i>	Total number of shares/ underlying shares under equity derivatives <i>(Note 11)</i>	Percentage of issued shares <i>(Note 12)</i>
CIMC Top Gear B.V.	Beneficial owner	1,223,571,430	8.5%	–	1,223,571,430	6.4%
Cooperatie CIMC U.A.	Interest of a controlled corporation <i>(Note 1)</i>	1,223,571,430	8.5%	–	1,223,571,430	6.4%
Sharp Vision Holdings Limited (“Sharp Vision”)	Beneficial owner	6,164,472,279	42.6%	3,454,490,318	9,618,962,597	50.5%
China International Marine Containers (Hong Kong) Limited (“CIMC HK”)	Interest of a controlled corporation <i>(Note 2 &amp; 3)</i>	7,388,043,709	51.1%	3,454,490,318	10,842,534,027	56.9%
CIMC	Interest of a controlled corporation <i>(Note 4)</i>	7,388,043,709	51.1%	3,454,490,318	10,842,534,027	56.9%
Fengqiang Holdings Limited (“Fengqiang”)	Beneficial owner	2,290,956,291	15.8%	325,795,402	2,616,751,693	13.7%
Fengqiang Hong Kong Co., Limited (“Fengqiang HK”)	Interest of a controlled corporation <i>(Note 5)</i>	2,290,956,291	15.8%	325,795,402	2,616,751,693	13.7%
Shenzhen TGM Ltd.* (深圳特哥盟科技有限公司) (“TGM”)	Interest of a controlled corporation <i>(Note 5)</i>	2,290,956,291	15.8%	325,795,402	2,616,751,693	13.7%
Genius Earn Limited	Beneficial owner	115,375,000	0.8%	–	115,375,000	0.6%
Lucky Rich Holdings Limited (“Lucky Rich”)	Beneficial owner	1,264,679,470	8.7%	697,884,300	1,962,563,770	10.3%
Shanghai Yunrong Investment Centre* (上海蕴融投资中心(有限合伙))	Interest of a controlled corporation <i>(Note 6)</i>	1,264,679,470	8.7%	697,884,300	1,962,563,770	10.3%
Shenzhen Jiuming Investment Consulting Co., Ltd.* (深圳市久名投资咨询有限公司)	Interest of a controlled corporation <i>(Note 6)</i>	1,264,679,470	8.7%	697,884,300	1,962,563,770	10.3%

Shareholders	Capacity/ type of interest	Number of shares interested <i>(Note 10)</i>	Percentage of issued shares <i>(Note 10)</i>	Number of shares interested under equity derivatives <i>(Note 11)</i>	Total number of shares/ underlying shares under equity derivatives <i>(Note 11)</i>	Percentage of issued shares <i>(Note 12)</i>
Liu Xiaolin	Interest of a controlled corporation <i>(Note 7)</i>	1,380,054,470	9.5%	697,884,300	2,077,938,770	10.9%
Yang Yuan	Interest of Spouse <i>(Note 8)</i>	1,380,054,470	9.5%	697,884,300	2,077,938,770	10.9%
Dazi Dingcheng Capital Investment Co., Ltd.* (達孜縣鼎誠資本投資有限公司)	Interest of a controlled corporation <i>(Note 9)</i>	1,264,679,470	8.7%	697,884,300	1,962,563,770	10.3%
Beijing Zhongrong Dingxin Investment Management Co., Ltd.* (北京中融鼎新投資管理有限公司)	Interest of a controlled corporation <i>(Note 9)</i>	1,264,679,470	8.7%	697,884,300	1,962,563,770	10.3%
Zhongrong International Trust Co., Ltd.* (中融國際信託有限公司)	Interest of a controlled corporation <i>(Note 9)</i>	1,264,679,470	8.7%	697,884,300	1,962,563,770	10.3%
Jingwei Textile Machinery Co., Ltd	Interest of a controlled corporation <i>(Note 9)</i>	1,264,679,470	8.7%	697,884,300	1,962,563,770	10.3%

\* The English translations of the Chinese names of such PRC entities are provided for identification purpose only.

Notes:

1. Cooperatie CIMC U.A. is beneficially interested in the entire share capital of CIMC Top Gear B.V. and is taken to be interested in the 1,223,571,430 shares in which CIMC Top Gear B.V. has declared interest for the purpose of the SFO.
2. CIMC HK and CIMC are beneficially interested in 1% and 99% respectively of the issued share capital of Cooperatie CIMC U.A. and are taken to be interested in the 1,223,571,430 shares in which Cooperatie CIMC U.A. has declared interest for the purpose of the SFO.
3. CIMC HK is beneficially interested in the entire share capital of Sharp Vision and is taken to be interested in the 6,164,472,279 shares and 3,454,490,318 shares interested under equity derivatives in which Sharp Vision has declared interest for the purpose of the SFO.
4. CIMC is beneficially interested in the entire share capital of CIMC HK and is taken to be interested in the 7,338,043,709 shares and 3,454,490,318 shares interested under equity derivatives in which CIMC HK in which CIMC HK has declared interest for the purpose of the SFO.

5. Fengqiang HK is beneficially interested in the entire share capital of Fengqiang and is deemed or taken to be interested in the 2,290,956,291 shares and 325,795,402 shares interested under equity derivatives in which Fengqiang has declared an interest for the purpose of the SFO. TGM is beneficially interested in the entire share capital of Fengqiang HK and is deemed or taken to be interested in the 2,290,956,291 shares and 325,795,402 shares interested under equity derivatives in which shares interested under equity derivatives has declared an interest for the purpose of the SFO.
6. Shanghai Yunrong is beneficially interested in the entire share capital of Lucky Rich and is deemed or taken to be interested in the 1,264,679,470 shares and 697,884,300 shares interested under equity derivatives in which Lucky Rich has declared an interest for the purpose of SFO. Shenzhen Jiuming Investment Consulting Co., Ltd. is beneficially interested in 0.2% of Shanghai Yunrong.
7. Mr. Liu Xiaolin is beneficially interested in the entire share capital of Genius Earn Ltd. and is deemed or taken to be interested in the 115,375,000 shares in which Genius Earn Ltd. has declared an interest for the purpose of SFO. Mr. Liu Xiaolin is beneficially interested in the entire share capital of Shenzhen Jiuming Investment Consulting Co., Ltd.
8. Ms. Yang Yuan is the spouse of Mr. Liu Xiaolin. Ms. Yang Yuan is taken to be interested in the shares in which Mr. Liu Xiaolin has declared interest for the purpose of the SFO.
9. Dazi Dingcheng Capital Investment Co., Ltd. is beneficially interested in 0.2% of the issued share capital of Shanghai Yunrong. Beijing Zhongrong Dingxin Investment Management Co., Ltd is beneficially interested in the entire issued share capital of Dazi Dingcheng Capital Investment Co., Ltd. and is beneficially interested in 88.5% of the issued share capital of Shanghai Yunrong. Zhongrong International Trust Co., Ltd. is beneficially interested in the entire issued share capital of Beijing Zhongrong Dingxin Investment Management Co., Ltd. Jingwei Textile Machinery Co., Ltd. is beneficially interested in 37.47% of the issued share capital of Zhongrong International Trust Co., Ltd.
10. The number of shares and percentage stated represents the number of shares held as stated in the relevant disclosure of interest forms and as percentage of the issued share capital of the Company at 31 December 2018.
11. Number of shares represents the number of shares held assuming all of the outstanding convertible bonds held have been fully converted.
12. Percentage calculated based on the total number of shares of the Company in issue, assuming (i) all of the convertible bonds of the Company have been fully converted; and (ii) all of the share options of the Company have been exercised.

Other than as disclosed above, the Company has not been notified of any other interests or short position in the issued share capital of the Company as at 31 December 2018.



## **COMPETING INTERESTS**

None of the directors of the Company or the management shareholder of the Company and their respective associates (as defined in the Listing Rules) had any interest in a business which competes or may compete with the business of the Group or had any other conflicts of interest, which any such person has or may have with the Group.

## **DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE**

The Company acquired 78.15% and 21.26% respectively of the equity interests in Pteris from Sharp Vision and Fengqiang in the Pteris Acquisition. Fengqiang is wholly-owned by TGM, a company owned by the employees of Pteris and its subsidiaries. Mr. Zheng Zu Hua and Mr. Luan You Jun, each being an executive director of the Company, hold approximately 7.2% and 4.5% of the equity interest in TGM, respectively.

Save as disclosed, no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

## **DIRECTORS' SECURITIES TRANSACTIONS**

During the year ended 31 December 2018, the Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard set out in the Model Code in Appendix 10 of the Listing Rules. Having made enquiry of all directors, they confirmed that they have complied with the required standard set out in the Model Code and its code of conduct regarding directors' securities transactions.

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

During the year ended 31 December 2018, neither the Company nor any of its subsidiaries purchased, cancelled or redeemed any listed securities of the Company.

## **COPORATE GOVERNANCE**

### *Corporate governance practices*

Throughout the year ended 31 December 2018, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices set out in Appendix 14 of the Listing Rules, except for the following:

1. There were no fixed terms of appointment for the directors although they are subject to retirement by rotation according to the Company's articles of association. The Board is of the opinion that this serves the same objectives of the relevant provision.
2. According to the articles of association, no director holding office as chairman and/or managing director shall be subject to retirement by rotation.

The Corporate Governance Report will be included in the 2018 annual report which will be dispatched to the shareholders and posted on the website of the Stock Exchange in accordance with the Listing Rules.

## **RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR**

The directors of the Company are responsible for the preparation of the financial statements, which give a true and fair view of the condition of the Group. The Group's results for the year have been reviewed by the Audit Committee. PricewaterhouseCoopers, the Group's auditor, is responsible to form an independent opinion, based on the audit, on the financial statements prepared by the directors and reports the opinion solely to the shareholders of the Company. PricewaterhouseCoopers gives an unqualified opinion on the consolidated financial statements of the Group as at 31 December 2018 and for the year then ended.

## **SCOPE OF WORK OF PRICEWATERHOUSECOOPERS**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of cash flows and the related notes thereto for the year ended 31 December 2018 as set out in the preliminary announcement have been agreed by PricewaterhouseCoopers, to the amounts set out in the Group's audited 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.

By order of the Board  
**CIMC-TianDa Holdings Company Limited**  
**Li Yin Hui**  
*Chairman*

*As at the date of this announcement, the Company's Directors are as follows:*

<i>Dr. Li Yin Hui</i>	<i>Chairman and Non-executive Director</i>
<i>Mr. Jiang Xiong</i>	<i>Honorary Chairman and Executive Director</i>
<i>Mr. Zheng Zu Hua</i>	<i>Executive Director</i>
<i>Mr. Luan You Jun</i>	<i>Executive Director</i>
<i>Mr. Yu Yu Qun</i>	<i>Non-executive Director</i>
<i>Mr. Robert Johnson</i>	<i>Non-executive Director</i>
<i>Dr. Loke Yu</i>	<i>Independent non-executive Director</i>
<i>Mr. Heng Ja Wei</i>	<i>Independent non-executive Director</i>
<i>Mr. Ho Man</i>	<i>Independent non-executive Director</i>

Hong Kong, 25 March 2019