



# 重慶長安民生物流股份有限公司 CMA Logistics Co., Ltd.\*

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
(Stock Code: 8217)



**2006** Interim Report

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (“STOCK EXCHANGE”)**

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*The directors of CMA Logistics Co., Ltd collectively and individually accept full responsibility of this report. This report includes particulars given in compliance with the GEM Listing Rules of the Stock Exchange of Hong Kong for the purpose of giving information with regard to CMA Logistics Co., Ltd. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (i) the information contained in this report is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this report misleading; and (iii) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

## HIGHLIGHTS

- For the six-month period ended 30 June 2006, the turnover of the Group was approximately RMB568,974,000, representing an increase of approximately 43.2% from the corresponding period in 2005.
- For the six-month period ended 30 June 2006, the profit attributable to shareholders of the Company was approximately RMB30,534,000, representing an increase of approximately 16.3% from the corresponding period in 2005.
- Basic earnings per share for the six-month period ended 30 June 2006 was RMB0.21 (corresponding period in 2005: RMB0.23).

## INTERIM REPORT (UNAUDITED)

The board of directors (the “Board”) of CMA Logistics Co., Ltd (the “Company”) is pleased to announce the unaudited consolidated results of the Company and its subsidiary (the “Group”) for the six-month period ended 30 June 2006, as follows:

### CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	For the six-month period ended 30 June		For the three-month period ended 30 June	
		2006 (unaudited) RMB'000	2005 (unaudited) RMB'000	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000
Turnover	3	568,974	397,293	274,396	211,134
Cost of Sales		(514,148)	(348,441)	(244,685)	(184,947)
Gross profit		54,826	48,852	29,711	26,187
Other gains		2,051	423	1,282	270
Distribution costs		(11,389)	(8,362)	(6,606)	(5,177)
Administrative expenses		(10,779)	(10,983)	(5,130)	(4,197)
Operating profit		34,709	29,930	19,257	17,083
Finance costs	4	(971)	(869)	(490)	(409)
Profit before tax	5	33,738	29,061	18,767	16,674
Income tax expense	6	(3,204)	(2,798)	(1,561)	(1,554)
Profit attribute to shareholders of the Company		30,534	26,263	17,206	15,120
Dividends	7	—	13,448	—	13,448
Earnings per share -Basic and diluted	8	RMB0.21	RMB0.23	RMB0.11	RMB0.13

## CONDENSED CONSOLIDATED BALANCE SHEET

		<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
	<i>Note</i>		
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	9	97,616	84,555
Prepaid lease payments	10	58,832	50,673
Intangible assets		2,484	2,730
Investment in an associate	12	3,100	3,100
Deferred income tax assets		300	501
		<u>162,332</u>	<u>141,559</u>
<b>Total non-current assets</b>			
<b>Current assets</b>			
Trade receivables	13	73,218	22,655
Prepayment and other receivables		30,512	12,430
Due from related parties	14	287,392	250,055
Cash and cash equivalents		181,686	40,425
		<u>572,808</u>	<u>325,565</u>
<b>Total current assets</b>			
		<u>735,140</u>	<u>467,124</u>
<b>Total assets</b>			
<b>Equity</b>			
Capital and reserves attributable to shareholders of the Company			
Share capital	15	162,064	112,064
Reserves	16	90,051	9,756
Retained earnings	16		
– proposed dividend		0	17,827
– others		51,017	20,483
		<u>303,132</u>	<u>160,130</u>
Minority interest	11	0	50
		<u>303,132</u>	<u>160,180</u>
<b>Total equity</b>			

		<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
	<i>Note</i>		
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	17	317,371	223,279
Due to related parties	18	80,669	39,468
Dividends payable		30,538	40,727
Current income tax liabilities		3,430	3,470
		<hr/>	<hr/>
<b>Total current liabilities</b>		432,008	306,944
		<hr/>	<hr/>
<b>Total liabilities</b>		432,008	306,944
		<hr/> <hr/>	<hr/> <hr/>
<b>Total equity and liabilities</b>		735,140	467,124
		<hr/> <hr/>	<hr/> <hr/>
<b>Net current assets</b>		140,800	18,621
		<hr/> <hr/>	<hr/> <hr/>
<b>Total assets less current liabilities</b>		303,132	160,180
		<hr/> <hr/>	<hr/> <hr/>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to shareholders of the Company				Total RMB'000
	Share capital RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Minority interest RMB'000	
<b>Balance at 1 January 2005</b>	112,064	(1,379)	36,418	—	147,103
Share issue costs	—	(1,993)	—	—	(1,993)
Profit for the period	—	—	26,263	—	26,263
Dividends	—	—	(28,016)	—	(28,016)
Appropriation	—	5,362	(5,362)	—	—
<b>Balance at 30 June 2005 (unaudited)</b>	<u>112,064</u>	<u>1,990</u>	<u>29,303</u>	<u>—</u>	<u>143,357</u>
<b>Balance at 1 January 2006</b>	112,064	9,756	38,310	50	160,180
Fund raised from the issue of new shares	50,000	91,879	—	—	141,879
Share issue costs	—	(11,584)	—	—	(11,584)
Profit for the period	—	—	30,534	—	30,534
Dividends	—	—	(17,827)	—	(17,827)
Purchase of minority interest	—	—	—	(50)	(50)
<b>Balance at 30 June 2006 (unaudited)</b>	<u>162,064</u>	<u>90,051</u>	<u>51,017</u>	<u>—</u>	<u>303,132</u>

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the six-month period ended 30 June	
	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000
<b>Cash flows from operating activities</b>		
Cash generated from operations	58,879	24,747
Interest paid	(971)	(869)
Income tax paid	(3,043)	(634)
<b>Net cash generated from operating activities</b>	<u>54,865</u>	<u>23,244</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets	(21,289)	(11,424)
Increase in prepaid lease payments	(8,673)	(6,488)
Proceeds from disposal of property, plant and equipment	7	—
Payment for the acquisition of a subsidiary	—	(1,000)
Payment for the minority interests purchase	(50)	—
Interest received	2,051	423
<b>Net cash used in investing activities</b>	<u>(27,954)</u>	<u>(18,489)</u>
<b>Cash flows from financing activities</b>		
Draw-down of short-term bank loans	—	25,000
Repayment of long-term bank loans	—	(16,560)
Proceeds from the issue of new shares	153,950	—
Share issue costs paid	(11,584)	(1,993)
Dividends paid	(28,016)	(737)
<b>Net cash generated from financing activities</b>	<u>114,350</u>	<u>5,710</u>
<b>Net increase in cash and cash equivalents</b>	<u>141,261</u>	<u>10,465</u>
<b>Cash and cash equivalents at beginning of the period</b>	<u>40,425</u>	<u>33,329</u>
<b>Cash and cash equivalents at end of the period</b>	<u>181,686</u>	<u>43,794</u>

Notes:

### 1. Basis of presentation

The Company, formerly known as Chongqing Changan Minsheng Logistics Co., Ltd., was incorporated in the PRC on 27 August 2001 as a limited liability company. In 2002, the Company was converted to a sino-foreign equity joint venture. On 31 December 2004, the Company was transformed into a joint stock limited liability company and was renamed CMA Logistics Co., Ltd.

The H shares of the Company were listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 23 February 2006.

The condensed consolidated financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standard 34 "Interim financial reporting".

### 2. Principal accounting policies

The unaudited condensed consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards. The accounting policies adopted are consistent with those followed in preparation of the Group's consolidated financial statements for the year ended 31 December 2005.

### 3. Turnover

The Group is principally engaged in rendering of transportation of finished vehicles, supply chain management for automobile components and parts and transportation of non-vehicle commodities services. Revenues recognized for the six-month period ended 30 June 2006 are as follows:

	For the six-month period ended 30 June 2006		For the three-month period ended 30 June 2006	
	(unaudited) RMB'000	2005 (unaudited) RMB'000	(unaudited) RMB'000	2005 (unaudited) RMB'000
Transportation of finished vehicles	357,703	272,669	168,180	137,185
Supply chain management for automobile components and parts (Note (a))	203,505	117,887	101,950	69,472
Transportation of non-vehicle commodities	7,766	6,737	4,266	4,477
Total	<u>568,974</u>	<u>397,293</u>	<u>274,396</u>	<u>211,134</u>

*Note:*

- (a) In 2002, the Group signed a contract for providing supply chain management for automobile components and parts services from 1 January 2002 to 31 December 2004 with one of its major customers. According to such contract, the Group recognized the relevant income from the services provided amounting to approximately RMB7,050,000 for the year ended 31 December 2004. In 2005, the Group signed a new contract with such customer which covered the period from 1 January 2004 to 30 June 2005. Based on the terms of the new contract, the Group recognized additional revenue for the services provided in 2004 as compensation for the relative cost increment amounting to approximately RMB10,002,000. Such additional revenue has been recorded as revenue for the six-month period ended 30 June 2005. These facts have been disclosed in the Company's annual report of 2005.

The Group has only one business segment, which is the rendering of transportation of finished vehicles, supply chain management for automobile components and parts and transportation of non-vehicle commodities services. The directors of the Company consider that its primary reporting format of its segment information is its business segment. No geographical segment information is presented as all the Group's turnover and profit are derived within the PRC and all assets of the Group are located in the PRC, which is considered as one geographic location with similar risks and returns.

#### 4. Finance costs

	For the six-month period ended 30 June		For the three-month period ended 30 June	
	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000
Interest on bank loans	—	648	—	271
Exchange loss	924	—	461	—
Others	47	221	29	138
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>971</u>	<u>869</u>	<u>490</u>	<u>409</u>

#### 5. Profit before tax

For the six-month period ended 30 June 2006, the profit tax was determined after charging the following items:

	For the six-month period ended 30 June		For the three-month period ended 30 June	
	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000
Depreciation	5,478	4,624	2,938	2,370
Employee benefit expense	26,641	17,929	16,610	10,584
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

#### 6. Income tax expense

	For the six-month period ended 30 June		For the three-month period ended 30 June	
	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000
Current PRC enterprise income tax ("EIT")	3,003	3,127	1,722	1,741
Deferred tax	201	(329)	(161)	(187)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total	<u>3,204</u>	<u>2,798</u>	<u>1,561</u>	<u>1,554</u>

As a foreign investment joint stock limited company established in the Chongqing Technological Economic Development Zone, the applicable EIT rate of the Company is 15%. The EIT rate of the Company's Nanjing branch is 24% and its local income tax rate is 0% and the aggregate tax rate is thus 24%. The EIT rate of Dingzhou branch and Qingdao branch is 30% and their local income tax rate is 0% and the aggregate tax rates is thus 30%. In accordance with an Approval of Enjoying Favourable EIT Policy (YYSJH[2003]No. 27) issued by the national tax bureau of Chongqing Technological Economic Development Zone on 27 May 2003, the Company is entitled to exemption from EIT in 2003 and 2004 followed by a 50% tax reduction from 2005 to 2007. For the six-month period ended 30 June 2006, the EIT rate of the Company (excluding Dingzhou branch, Qingdao branch and Nanjing branch) is 7.5% (2005: 7.5%). The EIT rate of Nanjing branch is 12% (2005: 12%). The EIT rate of Dingzhou branch and Qingdao branch is 15% (2005: 15%). As CMAL Gang Cheng Co., Ltd. ("Chongqing Gangcheng"), the Company's subsidiary incurred losses for the six-month period ended 30 June 2006, no EIT expense was incurred.

No provision for Hong Kong profits tax was made as the Group had no assessable profit arising in or derived from Hong Kong for the six-month period ended 30 June 2006 (2005: nil).

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the applicable EIT rates as follows:

	For the six-month period ended 30 June		For the three-month period ended 30 June	
	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000
Profit before tax	<u>33,738</u>	<u>29,061</u>	<u>18,767</u>	<u>16,674</u>
Tax at the statutory tax rate of 33%	11,134	9,590	6,193	5,502
EIT exemption	(8,331)	(7,138)	(4,696)	(4,068)
Expenses not deductible for tax purposes	<u>401</u>	<u>346</u>	<u>64</u>	<u>120</u>
Tax charge	<u>3,204</u>	<u>2,798</u>	<u>1,561</u>	<u>1,554</u>

The effective tax rate for the six-month period ended 30 June 2006 was 9.50% (2005: 9.63%).

## 7. Dividends

The Board does not propose the payment of an interim dividend for the six-month period ended 30 June 2006.

On 15 September 2005, the shareholders meeting of the Company resolved to declare dividends of RMB13,448,000, for the period from 1 January 2005 to 30 April 2005. Please refer to the prospectus of the Company dated 16 February 2006 ("the Prospectus") for more details.

## 8. Earnings per share

Basic earnings per share is calculated by dividing the Group's profit attributable to shareholders of the Company by the weighted average number of share in issue for the six-month period ended 30 June 2006.

	For the six-month period ended 30 June		For the three-month period ended 30 June	
	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000	2006 (unaudited) RMB'000	2005 (unaudited) RMB'000
Group's profit attributable to shareholders of the Company	<u>30,534</u>	<u>26,263</u>	<u>17,206</u>	<u>15,120</u>
Weighted average number of ordinary shares in issue (in thousands)	<u>145,397</u>	<u>112,064</u>	<u>162,064</u>	<u>112,064</u>
Basic earnings per share (RMB per share)	<u>0.21</u>	<u>0.23</u>	<u>0.11</u>	<u>0.13</u>

Diluted earnings per share is the same as basic earnings per share as there were no potentially dilutive instruments outstanding.

## 9. Additions of property, plant and equipment

During the reporting period, the changes in property, plant and equipment are as follows:

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000	Change during the reporting period RMB'000
Property, plant and equipment			
1. Buildings	89,606	66,036	23,570
2. Machinery	3,475	3,092	383
3. Office equipment	6,806	6,902	(96)
4. Motor vehicles	20,451	17,416	3,035
5. Construction in progress	972	9,874	(8,902)
	<u>121,310</u>	<u>103,320</u>	<u>17,990</u>

## 10. Prepaid lease payment

During the reporting period, the Group used about RMB8,673,000 (2005: RMB6,551,000) for lease payment of land use right.

## 11. Investment in a subsidiary and purchase of minority interests

To further develop the automobile logistics business of the Company's subsidiary, Chongqing Gangcheng, on 9 June 2006, the Company purchased the 1% shareholding of Chongqing Gangcheng with RMB50,000 from Chongqing Changan Sanchan Industry Company Limited ("Changan Sanchan"). After the purchase, the Company holds 100% shareholding of Chongqing Gangcheng and its registered capital remains RMB 5 million.

## 12. Investment in an associate

As at 30 June 2006, the Company held 31% shareholding of Wuhan Changan Minfutong Logistics Limited Company ("Wuhan Minfutong"). The registered capital of Wuhan Minfutong is RMB10,000,000. Its principal activities are the rendering of finished vehicle warehousing, cargo agency and logistics planning and consultation services.

### 13. Trade receivables

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
Accounts receivable (Note (a))	25,333	18,606
Bills receivable (Note (b))	47,885	4,049
	<u>73,218</u>	<u>22,655</u>

*Notes:*

- (a) The Group offers credit terms to its customers ranging from cash on delivery to 90 days. Ageing analysis of accounts receivable as at 30 June 2006 was as follows:

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
0 to 90 days	15,664	12,139
91 to 180 days	2,423	3,071
181 to 365 days	4,620	2,341
Over 1 year	2,702	1,111
	<u>25,409</u>	<u>18,662</u>
Less: provision for impairment of receivables	<u>(76)</u>	<u>(56)</u>
	<u>25,333</u>	<u>18,606</u>

- (b) Ageing analysis of bills receivable as at 30 June 2006 was as follows:

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
0 to 180 days	47,885	4,049

#### 14. Due from related parties

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
Balance from rendering of services ( <i>Note (a)</i> )	281,794	243,054
Balance of deposits for service quality guarantee	5,598	7,001
	<u>287,392</u>	<u>250,055</u>

*Note:*

- (a) The Group offers credit terms to its customers ranging from cash on delivery to 90 days. Ageing analysis of accounts receivable as at 30 June 2006 was as follows:

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
0 to 90 days	275,428	238,422
91 to 180 days	4,755	4,047
181 to 365 days	1,848	327
Over 1 year	619	989
	<u>282,650</u>	<u>243,785</u>
Less: provision for impairment of due from related parties	(856)	(731)
Total	<u>281,794</u>	<u>243,054</u>

## 15. Share capital

Movements were:

	(unaudited) RMB'000
At 1 January 2006 and 2005	112,064
Capital injection from public investors ( <i>Note (a)</i> )	50,000
At 30 June 2006	162,064

*Note:*

- (a) The 55,000,000 H shares of the Company with face value RMB1 per share were listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited on 23 February 2006. The Company placed 50,000,000 new shares and the other 5,000,000 shares were offered by Changan Automobile Company (Group) Limited ("Changan Co.") and Changan Sanchan. Accordingly, the share capital of the Company increased by RMB50,000,000 for the six-month period ended 30 June 2006.

## 16. Reserves

	Capital Surplus RMB'000	Statutory surplus reserve fund RMB'000	Statutory public welfare fund RMB'000	Share issue costs RMB'000	Retained earnings RMB'000	Total RMB'000
At 1 January 2005	—	—	—	(1,379)	36,418	35,039
Net profit for the year	—	—	—	—	57,861	57,861
Share issue costs	—	—	—	(3,370)	—	(3,370)
Dividends	—	—	—	—	(41,464)	(41,464)
Appropriation	—	9,670	4,835	—	(14,505)	—
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2005 (audited)	—	9,670	4,835	(4,749)	38,310	48,066
Net profit for the period	—	—	—	—	13,328	13,328
Fund raised from the issue of new shares	75,546	—	—	16,333	—	91,879
Share issue costs	—	—	—	(11,584)	—	(11,584)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2006 (unaudited)	75,546	9,670	4,835	—	51,638	141,689
Net profit for the period	—	—	—	—	17,206	17,206
Dividends	—	—	—	—	(17,827)	(17,827)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 30 June 2006 (unaudited)	<u>75,546</u>	<u>9,670</u>	<u>4,835</u>	<u>—</u>	<u>51,017</u>	<u>141,068</u>

## 17. Trade and other payables

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
Accounts payable ( <i>Note (a)</i> )	219,641	161,572
Advance from customers	5,175	—
Bills payable	48,500	20,000
Other payable	42,293	38,699
Other tax	1,762	2,208
Accrual	—	800
	<u>317,371</u>	<u>223,279</u>

*Note:*

(a) Ageing analysis of accounts payable as at 30 June 2006 was as follows:

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
0 to 90 days	215,805	156,412
91 to 180 days	2,399	4,278
181 to 365 days	600	448
Over 1 year	837	434
	<u>219,641</u>	<u>161,572</u>

## 18. Due to related parties

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
0 to 90 days	79,702	39,060
91 to 180 days	457	41
181 to 365 days	134	367
Over 1 year	376	—
	<u>80,669</u>	<u>39,468</u>

## 19. Commitments

(a) Capital expenditure commitments for property, plant and equipment

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
Authorized but not contracted for		
– Construction of ERP system	—	5,210
– Construction of distribution centres	4,228	23,720
– Facilities in Changan Ford distribution centre in Nanjing	1,316	—
	<u>5,544</u>	<u>28,930</u>
Contracted but not provided for		
– Construction of distribution centres	4,850	5,562

(b) Operating lease commitments

The future aggregate minimum lease payments due under non-cancellable operating leases for office premises and distribution center are as follows:

	<b>As at 30 June 2006 (unaudited) RMB'000</b>	As at 31 December 2005 (audited) RMB'000
Not more than one year	2,150	2,244
More than one year and less than five years	<u>183</u>	<u>826</u>
	<u><u>2,333</u></u>	<u><u>3,070</u></u>

**20. Contingent liabilities**

As at 30 June 2006, the Group did not have any significant contingent liabilities.

**21. Charges on group assets**

As at 30 June 2006, none of the Group's assets was pledged as security for any liabilities (31 December 2005: nil).

**22. Foreign currency**

There is foreign currency risk as the proceeds from the issuance of the H shares are denominated in HK\$ and were deposited in banks according to the provisions of State Administration of Foreign Exchange of PRC. Except for this, during the six-month period ended 30 June 2006, most transactions of the Group were denominated in RMB. The Group thus did not face any significant exchange rate risks.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

#### Overview

For the six-month period ended 30 June 2006, the Group recorded a turnover of approximately RMB568,974,000, representing an increase of approximately 43.2% over the same period of last year. The increase in turnover was due to the increasing demand for vehicle logistics services from our existing clients who increased their car manufacturing and selling activities during this period. The income from transportation of finished vehicles and supply chain management of car components and parts for the six-month period ended 30 June 2006 represented respectively 62.9% and 35.8% of the Group's total turnover (2005: 68.6% and 29.7%, respectively). The detailed breakdown of turnover is set out in Note 3 to the section headed "Condensed Consolidated Income Statement" of this report.

For the six-month period ended 30 June 2006, the automobile industry in the PRC remained highly competitive and the volume of production and sales decreased gradually over the period. The gross profit margin of the Group during the reporting period was approximately 9.6% (2005: 12.3%). The Group strived to improve the quality of the vehicle logistics services to meet the increasing demand of the customers who continued to control their logistics costs. During the second quarter of 2006, as the Company managed to lower its transportation costs, it enjoyed a higher gross profit margin of approximately 10.8% when compared with the gross profit margin of approximately 8.5% for the first quarter of 2006. The profit attributable to the shareholders of the Group for the six-month period ended 30 June 2006 was approximately RMB30,534,000, representing an increase of approximately 16.3% from the same period of 2005 (the profit attributable to the shareholders of the Company included an amount of about RMB10,002,000 additional distribution income for the six-month period ended 30 June 2005, details of which are set out in Note 3 to the section headed "Condensed Consolidated Income Statement of this report).

## Sales and marketing

Our Group is mainly engaged in the provision of vehicle logistics service to car manufacturers. For the six-month period ended 30 June 2006, we have provided services to more than 30 new customers and the Group's total number of customers increased to over 550. We will continue to strengthen the relationships with our customers and expand the existing customer base.

## Application of logistics technology

### *The "Milk Run" technology*

The Company is the first logistics company in western China to introduce the "Milk Run" distribution model. The "Milk Run" technology is an important method for the Company to expand the existing customer base and secure new customers who are automobile components and parts suppliers. As at 30 June 2006, the Group had 8 customers using "Milk Run" technology (as at 31 December 2005: nil). For the six-month period ended 30 June 2006, the Group's logistics revenue generated from "Milk Run" was RMB4 million (2005: nil).

### *MP technology*

The application of this technology increases the production efficiency of the finished vehicle assembly lines, shortens vehicle production cycle and reduces the assembly costs. We have already started production, assembly and sale of functional parts and modules of tires with the following details:

Modules name	For the six-month period ended 30 June 2006		For the six-month period ended 30 June 2005	
	Volume	Revenue RMB'000	Volume	Revenue RMB'000
Tire	900,000	1,270	620,000	1,000

## FINANCIAL REVIEW

### Liquidity and financial resources

During the reporting period, the Group maintained a balanced financial position. We financed our operations through internally generated resources and funds raised from the issue of our H shares.

As at 30 June 2006, the cash and bank balance was approximately RMB181,686,000 (31 December 2005: approximately RMB40,425,000). The Company raised approximately RMB153,950,000 (31 December 2005: nil) from the issue of H shares.

As at 30 June 2006, the total assets of the Group amounted to approximately RMB735,140,000 (31 December 2005: approximately RMB467,124,000). The Group had current liabilities of approximately RMB432,008,000 (31 December 2005: approximately RMB306,944,000), and shareholders' equity of approximately RMB303,132,000 (31 December 2005: approximately RMB160,130,000).

### Capital structure

During the reporting period, the Company placed 55,000,000 H shares (of which 5,000,000 shares were offered by Changan Co. and Changan Sanchan) at the placing price of HK\$2.70 per share. As at 30 June 2006, the total number of shares of the Company was 162,064,000, of which 65,600,320 were domestic shares, 41,463,680 were non-H foreign shares and 55,000,000 were H shares.

### Gearing and liquidity ratio

As at 30 June 2006, the gearing ratio, defined as the ratio between the total liabilities and the total assets, was 0.59 (30 June 2006: 0.66). As at 30 June 2006, the liquidity ratio of the Group, represented by a ratio between current assets and current liabilities, was 1.33 (30 June 2005: 1.06), which reflected the sufficiency of financial resources of the Group.

### Foreign currency risk

Part of the proceeds raised from the issue of H shares in February 2006 was deposited in banks in Hong Kong dollars. The appreciation of RMB will lead to an exchange loss. For the six-month period ended 30 June 2006, the exchange loss incurred by the appreciation of RMB was RMB924,000.

## **EMPLOYEE AND REMUNERATION POLICY**

The Group had 2,102 employees as at 30 June 2006 (31 December 2005: 1,899). The salaries of the employees are based on the remuneration policy approved by the Board and remuneration committee in accordance with PRC laws and regulations. The salary level is correlated with the financial performance of the Company. The benefits of the employees consist of endowment insurance, medical insurance, unemployment insurance, personal injury insurance and housing funds.

## **POST BALANCE SHEET EVENTS**

From 30 June 2006 to the date of this report, no event which has a significant impact on the Company and its subsidiary has taken place.

## **PROSPECTS**

We achieved satisfactory results in the first half of 2006. In the next six months, we will continue to develop the Company through professional management with practical and innovative ideas. We will continue to sustain the growth of the Company by leveraging on our professional and technical knowledge and skills in vehicle logistics. We plan to expedite the construction of logistics service facilities to cater for the growing demand of our customers including the Nanjing factory of Changan Ford Mazda Automobile Corporation Ltd. (“Changan Ford”).

We will continue to improve our management, reduce our operation costs and use our resources more efficiently. We will strive to enhance efficiency in different aspects of the organisation including operation, marketing, service quality, logistics technology and human resources. We will encourage the employees to work diligently to increase our competitive edge.

## COMPARISON OF BUSINESS OBJECTIVES WITH ACTUAL PROGRESS

### Business objectives disclosed in Prospectuses as at 30 June 2006

### The actual progress as at 30 June 2006

#### Business development

1. The transportation of finished vehicles business (about 50,000 units) from Changan Suzuki.

The Company provided Chongqing Changan Suzuki Automobile Co. Ltd. (“Changan Suzuki”) with river and road freight-forwarding logistics service. As the demand by Changan Suzuki for this type of services was less than expected and the Company’s road transportation resources were tight during the reporting period, the number of finished vehicles transported by the Company for Changan Suzuki was less than 10,000 units.
2. To secure the transportation of finished vehicles business from Changan Zijin factory in Nanjing.

The Company has provided finished vehicle logistics services to Changan Zijin factory.
3. Expand logistics business for non-vehicle commodities.

During the reporting period, the Company put more emphasis on satisfying the strong demand for vehicle logistics services of our car manufacturer customers.
4. Consolidate and expand business volume from existing customers, especially car manufacturers.

The Company strengthened the relationship with our existing clients, as evidenced by the increase in sales generated from the vehicle logistics business.

#### Sales and marketing

- To establish a transportation company
- The Company’s management has submitted the proposal regarding the establishment of a transportation Company to the Board for approval.

## Service facilities

1. Construct phase I of car parts distribution center for Changan Ford in Nanjing, about 15,000 sq.m.  
As it is expected that finished vehicles manufactured at Changan Ford factory in Nanjing will only be launched in the second half of 2007, the Company has postponed the injection of a significant amount of capital into the project. However, the Company will continue to invest in the project in accordance with the construction plans of Changan Ford. We have also carried out some preparatory work including, amongst other things, purchasing a land of 84 mu (equivalent to approximately 56,000 sq.m.), constructing an office area, commencing preliminary planning and design works and looking for the strategic partnership to expand our business and implement our business plans.
2. Purchase 30 transportation vehicles or form a joint venture or acquire a transportation company to increase the number of fleet  
The fleet of vehicles controlled or managed by the Company will expand once the proposal to form a joint venture transportation company is approved by the Board (please refer to the sub-section headed "Sales and Marketing" of this section for more details).

## Customers

550 551

## Human resources

2,335 2,102. The Company put more emphasis on staff training to enhance the quality and productivity of our staff. As such, our total headcount as at 30 June 2006 was lower than expected.

## USE OF NET PROCEEDS FROM THE LISTING OF THE H SHARES

The H shares of the Company were listed on the Growth Enterprise Market of Stock Exchange of Hong Kong Limited on 23 February 2006. The Company placed an aggregate of 55,000,000 H shares (including 50,000,000 new shares and 5,000,000 shares offered by Changan Co. and Changan Sanchan) at HK\$2.7 per H share. Please refer to the Prospectus for details of the proposed use of the Company's net proceeds based on the minimum placing price of HK\$2.3 per H share.

A comparison between the proposed applications and actual applications of the net proceeds during the period commencing from the listing date to 30 June 2006 is set out below:

	Planned uses of proceeds as disclosed in the Prospectus as at 30 June 2006 (HK\$'000)	Planned uses of proceeds as disclosed in the Prospectus as at 30 June 2006 (RMB'000) (Note (a))	Actual amount of the proceeds used up to 30 June 2006 (RMB'000)	Differences between planned uses and actual uses of the proceeds (RMB'000)	Reasons for the differences
The construction of phase I and phase II of the regional distribution centre for Changan Ford in Nanjing (Note (b))	27,000	27,991	6,358	(21,633)	As the finished vehicles manufactured at Changan Ford factory in Nanjing will not be launched until the second half year of 2007, the Company has postponed the capital injection for the construction of phase I of the car components and parts regional distribution centers for Changan Ford in Nanjing.

	(HK\$'000)	Planned uses of proceeds as disclosed in the Prospectus as at 30 June 2006 (RMB'000) Note (a)	Actual amount of the proceeds used as at 30 June 2006 (RMB'000)	Discrepancy (RMB'000)	Reasons for the discrepancy
Completion of upgrading of phase III and construction of phase IV of the regional distribution centre for Changan Ford in Chongqing. (Note (c))	26,000	26,954	11,847	(15,107)	As the introduction of several new products of Changan Ford in Chongqing is postponed, the actual amount of proceeds used by us in this project during the period was less than planned. The Company however continued to apply some of the proceeds to upgrade phase III and construct phase IV of the regional distribution centre of Changan Ford in Chongqing
Sub-contracting transportation services through the use of external transportation companies.	5,900	6,117	6,176	59	The actual amount of the proceeds used in sub-contracting transportation services was slightly higher than planned due to increase in the our demand for transportation services provided by external transportation companies during the six-month period ended 30 June 2006.
Total	58,900	61,062	24,381	(36,681)	

*Note (a):* On the date of listing on 23 February 2006, the exchange rate between HK\$ and RMB was 1:1.0367.

*Note (b):* The actual amount used in the construction of phase I and phase II of the regional distribution centre of Changan Ford in Nanjing comprises the payment of the first two instalments totalling RMB5,670,000 for the purchase of the 84 mu of land before listing, and the construction cost of office building and the related design fee totalling RMB688,000 after listing. For details please refer to the Appendix VII of the Prospectus.

*Note (c):* The actual amount used before listing in purchasing the land use right in respect of the 54 mu of land where phase IV of the regional distribution centre of Changan Ford in Chongqing is being constructed was approximately RMB8,673,000. After listing, the Company incurred approximately RMB3,174,000 up to 30 June 2006 in respect of design and survey of the regional distribution centre and purchase of equipment.

As disclosed in the Prospectus, the directors of the Company intend to apply over 80% of the additional net proceeds from the placing to enhance and upgrade the facilities in the existing regional distribution centers and the remainder will be used as general working capital of the Group. As the Company's H shares were placed at the maximum placing price of HK\$2.7 per H share, the Company was able to apply approximately RMB6,176,000 of the additional net proceeds for the purpose of expanding and constructing facilities at one of the regional distribution centres in Chongqing and the regional distribution centre in Hebei.

Up to 30 June 2006, the Company used approximately RMB30,551,000 of the net proceeds from listing. All of our unused proceeds were deposited with China Minsheng Banking Corp., Ltd., China Merchants Bank Co., Ltd. and China Construction Bank Corporation in the PRC.

## **CORPORATE GOVERNANCE**

Throughout the relevant period, the Company has complied with the requirements of the code provisions set out in Code on Corporate Governance Practices in Appendix 15 of Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the "GEM Listing Rules").

## **SECURITIES TRANSACTION OF DIRECTORS**

The Company has adopted a code of conduct for securities transactions by directors (the "Code"), which is no less exacting than the required terms for dealings of shares by directors as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. After making specific enquiries of all directors, the Company is not aware of any non-compliance with the standard for dealings of securities by directors of the Company and the Code.

## **THE BOARD**

The Company's first Board consists of fourteen members. It has six non-executive directors, three of whom are independent non-executive directors. At least one of the independent non-executive directors has appropriate professional qualification and related financial management expertise in accounting.

## **CHAIRMAN AND GENERAL MANAGER**

The Company's chairman is Mr. Yin Jiaxu, and the general manager is Mr. Shi Chaochun. They carry out their responsibilities independently of each other. The chairman is responsible for ensuring the effective operation of the Board, while the general manager is responsible for overseeing the daily operations of the Company. The duties of the chairman and the general manager are set out in detail in the Company's articles of association.

## **AUDIT COMMITTEE**

The Company has set up an audit committee pursuant to the requirements under Rule 5.28 of the GEM Listing Rules and the "Guidelines for the establishment of Audit Committees" prepared by Hong Kong Institute of Certified Public Accountants, with written terms of reference in compliance with Rule 5.29 of the GEM Listing Rules. The responsibilities of the audit committee are principally to review and supervise the Company's financial reporting procedures and internal control system.

The audit committee comprises Mr. Peng Qifa (chairman of the committee), Ms. Wang Xu and Mr. Chong Teck Sin, who are all independent non-executive directors.

During the reporting period, the audit committee has met for three times.

The audit committee met on 23 March 2006 to review the Group's annual results, financial statements, principal accounting policies and matters relating to internal audit, and discussed with the auditors regarding the same.

The audit committee met on 26 April 2006 to review the unaudited quarterly report of the Group for the three months ended 31 March 2006, and approved such report.

The audit committee met on 26 July 2006 to review the unaudited interim report of the Group for the six months ended 30 June 2006, and approved such report.

## REMUNERATION COMMITTEE

The Company have established a remuneration committee on 22 February 2005 with written terms of reference. The principal responsibilities of the remuneration committee include making proposals to the Board in respect of the overall remuneration policy and structures of the directors and senior management.

Mr. Yin Jiayu is the chairman and the other members are Mr. Koay Peng Yen, Ms. Wang Xu, Mr. Peng Qifa and Mr. Chong Teck Sin. The majority of the members of the remuneration committee are independent non-executive directors of the Company.

During the reporting period, the remuneration committee has met twice.

The remuneration committee met on 23 March 2006 to review the Company's remuneration policy and structures during the year ended 31 December 2005.

The remuneration committee met on 26 July 2006 to review the Company's remuneration policy and structures during the six months ended 30 June 2006.

## NOMINATION COMMITTEE

The Company has established a nomination committee on 22 February 2005 with written terms of reference. The principal responsibilities of the nomination committee include the review of the structure and composition of the Board, enhancing corporate governance within the Company and assessing the independence of the Company's independent directors.

Ms. Lau Man Yee, Vanessa is the chairman and the other members are Mr. Wu Xiaohua, Ms. Wang Xu, Mr. Peng Qifa and Mr. Chong Teck Sin. The majority of the members of the nomination committee are independent non-executive directors of the Company.

During the reporting period, the nomination committee has met twice.

The nomination committee met on 23 March 2006 to review and approve the annual working reports of the nomination committee as at 31 December 2005.

The nomination committee met on 26 July 2006 to review the structure and composition of the Board during the six months ended 30 June 2006 and assessed the independence of the Company's independent directors.

## OTHER INFORMATION

### THE INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS HELD BY THE DIRECTORS AND CHIEF EXECUTIVES OF THE COMPANY

As at 30 June 2006, the directors and chief executives of the Company hold no interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors as referred to in Rule 5.46 of the GEM Listing Rules.

### SUBSTANTIAL SHAREHOLDER AND MANAGEMENT SHAREHOLDER

As at 30 June 2006, the following persons (other than the directors and chief executives of the Company) had interests in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO:

#### Long position in shares

Name of shareholders	Capacity	Number of shares	Percentage of domestic shares (non H foreign shares included)	Percentage of H shares	Percentage of total registered share capital
Changan Co.	Beneficial owner	39,029,088	36.45%	—	24.08%
Changan Co. (Note 1)	Interest of a controlled corporation	796,512	0.74%	—	0.49%
Minsheng Industrial	Beneficial owner	25,774,720	24.07%	—	15.91%
Minsheng Industrial (Note 2)	Interest of a controlled corporation	7,844,480	7.33%	—	4.84%

Name of Shareholders	Capacity	Number of shares	Percentage of domestic shares (non H foreign shares included)	Percentage of H shares	Percentage of total registered share capital
APLL	Beneficial owner	33,619,200	31.40%	—	20.74%
Ming Sung (HK)	Beneficial owner	7,844,480	7.33%	—	4.84%
First State Investments (Hong Kong) Limited	Investment manager	5,673,000	—	10.31%	3.50%
First State (Hong Kong) LLC (Note 3)	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
First State Investments (Bermuda) Ltd (Note 3)	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
First State Investment Managers (Asia) Ltd (Note 3)	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
Colonial First State Group Ltd (Note 3)	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
The Colonial Mutual Life Assurance Society Ltd (Note 3)	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
Commonwealth Insurance Holdings Limited (Note 3)	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
Colonial Holding Company (No.2) Pty Limited (Note 3)	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
Colonial Holding Company Pty Limited (Note 3)	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%

Name of Shareholders	Capacity	Number of shares	Percentage of domestic shares (non H foreign shares included)	Percentage of H shares	Percentage of total registered share capital
Colonial Ltd ( <i>Note 3</i> )	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
Commonwealth Bank of Australia ( <i>Note 3</i> )	Interest of a controlled corporation	5,673,000	—	10.31%	3.50%
Acru China+Absolute Return Fund Limited	Person having a security interest in shares	4,000,000	—	7.27%	2.47%
Acru Asset Management International Limited ( <i>Note 4</i> )	Investment manager	4,000,000	—	7.27%	2.47%
Acru Asset Management Limited ( <i>Note 5</i> )	Investment manager	4,000,000	—	7.27%	2.47%
Chan Lee Wang	Investment manager	4,000,000	—	7.27%	2.47%
Lau Hing Sang	Investment manager	4,000,000	—	7.27%	2.47%
Atlantis Investment Management Ltd ( <i>Note 6</i> )	Investment manager	4,000,000	—	7.27%	2.47%
GE Asset Management Incorporated	Investment manager	2,764,000	—	5.03%	1.71%

*Note 1:* Changan Co. owns 98.92% of Changan Sanchan, which holds 0.49% of our Company.

*Note 2:* Minsheng Industrial owns 98.95% of the Ming Sung (HK).

*Note 3:* Commonwealth Bank of Australia holds 100% interest of Colonial Ltd, Colonial Ltd holds 100% interest of Colonial Holding Company Pty Ltd, Colonial Holding Company Pty Ltd holds 100% interest of Colonial Holding Company (No.2) Pty Limited, Colonial Holding Company (No.2) Pty Limited holds 100% interest of Commonwealth Insurance Holdings Limited, Commonwealth Insurance Holdings Limited holds 100% interest of The Colonial Mutual Life Assurance Society Ltd, The Colonial Mutual Life Assurance Society Ltd holds 100% interest of Colonial First State Group Ltd, Colonial First State Group Ltd holds 100% interest of First State Investment Managers (Asia) Ltd, First State Investment Managers (Asia) Ltd holds 100% interest of First State Investments (Bermuda) Ltd, First State Investments (Bermuda) Ltd holds 100% interest of First State (Hong Kong) LLC, First State (Hong Kong) LLC holds 100% interest of First State Investments (Hong Kong) Limited. As a result, pursuant to the Part XV of the SFO, Commonwealth Bank of Australia, Colonial Ltd, Colonial Holding Company Pty Ltd, Colonial Holding Company (No.2) Pty Limited, Commonwealth Insurance Holdings Limited, The Colonial Mutual Life Assurance Society Ltd, Colonial First State Group Ltd, First State Investment Managers (Asia) Ltd, First State Investments (Bermuda) Ltd and First State (Hong Kong) LLC are deemed to be interested in the 5,673,000 shares held by the First State Investments (Hong Kong) Limited.

*Note 4:* Acru China+Absolute Return Fund Limited and its directors follow the directions of Acru Asset Management International Limited. Chan Lee Wang and Lau Hing Sang are the controllers of Acru Asset Management International Limited.

*Note 5:* Chan Lee Wang and Lau Hing Sang are all Acru Asset Management Limited's controllers.

*Note 6:* Atlantis Investment Management Ltd. bought 804,000 shares of our H shares on 3 July 2006, increasing the total number of our H shares held by it to 4,804,000, which accounted for 8.73% of the Company's H shares and 2.96% of the Company's total issued share capital.

As at 30 June 2006, the management shareholders (interests in the shares and underlying shares of the Company held by the management shareholders such as Changan Co., Minsheng Industrial (Group) Co., Ltd ("Minsheng industrial"), APL Logistics Ltd. ("APLL") and Ming Sung Industrial Co., (HK) Ltd. ("Ming Sung (HK)")) are as disclosed above) hold interests in the shares and underlying shares of the Company as follows:

Name of shareholder	Capacity	Number of Shares	Percentage of domestic shares	Percentage of non H foreign shares	Percentage of H shares	Percentage of total registered share capital
Changan Sanchan	Beneficial owner	796,512	0.74%	—	—	0.49%

Save as disclosed above, as at 30 June 2006, the directors were not aware of any other person (other than the directors and chief executives of the Company) who had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

## **COMPETING INTERESTS**

The Company has entered into a non-competition undertaking in favor of the Company with each of its shareholders, namely APLL, Minsheng Industrial, Ming Sung (HK) and Changan Co., respectively. For details of the non-competition undertakings, please refer to the Prospectus.

Save as disclosed in the Prospectus, the directors and the management shareholders of the Company have no other business interest which competes, or may compete with the Group's business.

## **CONNECTED TRANSACTIONS**

For the six-month period ended 30 June 2006, the turnover generated from the continuing connected transactions between the Group and the connected parties in respect of the provision of vehicle logistics services to such parties was approximately RMB525,093,000, which accounted for approximately 92.3% of the Group's total turnover during the reporting period.

For the six-month period ended 30 June 2006, the total amount of the Group's continuing connected transactions with connected parties in respect of the purchase of transportation services from such parties was approximately RMB92,455,000, which accounted for approximately 18.0% of the Group's total cost of sales during the reporting period.

For the details of our connected transactions, please refer to the Prospectus.

## **INTEREST OF COMPLIANCE ADVISER**

As at 30 June 2006, none of Anglo Chinese Corporate Finance Limited, the compliance adviser of the Company, its directors or its employees has any interest in the Company's securities, including share options and other rights to the Company's securities.

## PURCHASE, SALE OR REDEMPTION OF SECURITIES

For the six-month period ended 30 June 2006, the Company and its subsidiary have not purchased, sold or redeemed any of the Company's shares.

## PUBLIC FLOAT

The Company has maintained the public float requirement as stipulated by GEM Listing Rules throughout the reporting period.

By the Order of the Board  
**Yin Jiaxu**  
*Chairman*

Chongqing, the PRC  
11 August 2006

As at the date of this report the Board comprises

*Executive directors:*

Mr. Yin Jiaxu  
Mr. Huang Zhangyun  
Mr. Lu Xiaozhong  
Mr. Shi Chaochun  
Mr. James H McAdam.

*Non-executive directors:*

Mr. Lu Guoji  
Mr. Koay Peng Yen  
Mr. Zhang Baolin  
Ms. Cao Dongping  
Mr. Wu Xiaohua  
Ms. Lau Man Yee, Vanessa

*Independent non-executive directors:*

Ms. Wang Xu  
Mr. Peng Qifa  
Mr. Chong Teck Sin

\* *For identification purpose only*