

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



AEON STORES (HONG KONG) CO., LIMITED

永旺(香港)百貨有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 984)

2016 ANNUAL RESULTS

The Board of Directors (the “Board”) of AEON Stores (Hong Kong) Co., Limited (the “Company”) is pleased to announce the results of the Company and its subsidiaries (the “Group” or “AEON”) for the year ended 31 December 2016 together with comparative figures for the previous year as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2016**

	NOTES	2016 HK\$'000	2015 HK\$'000
Revenue	3	9,036,609	8,975,315
Other income		612,465	684,258
Investment income		30,737	36,440
Purchases of goods and changes in inventories		(6,212,937)	(6,134,108)
Staff costs		(1,096,029)	(1,089,888)
Depreciation		(207,797)	(190,270)
Impairment loss recognised in respect of property, plant and equipment		(163)	(9,026)
Loss on disposal/written off of property, plant and equipment		(6,024)	(13,099)
Pre-operating expenses		(5,133)	(11,219)
Other expenses		(2,162,218)	(2,126,481)
Finance costs		(116)	(210)
(Loss) profit before tax		(10,606)	121,712
Income tax expense	4	(4,407)	(18,157)
(Loss) profit for the year		(15,013)	103,555
(Loss) profit for the year attributable to:			
Owners of the Company		(23,228)	93,170
Non-controlling interests		8,215	10,385
		(15,013)	103,555
(Loss) earnings per share	6	(8.93) HK cents	35.83 HK cents

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	HK\$'000	HK\$'000
(Loss) profit for the year	(15,013)	103,555
Other comprehensive (expense) income		
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences on translation of foreign operations	(23,291)	(13,155)
Fair value gain (loss) on available-for-sale investments	1,273	(3,407)
	<u>(22,018)</u>	<u>(16,562)</u>
Other comprehensive expense for the year, net of income tax	<u>(22,018)</u>	<u>(16,562)</u>
Total comprehensive (expense) income for the year	<u>(37,031)</u>	<u>86,993</u>
Total comprehensive (expense) income for the year attributable to:		
Owners of the Company	(33,441)	83,400
Non-controlling interests	(3,590)	3,593
	<u>(37,031)</u>	<u>86,993</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2016**

	NOTES	2016 HK\$'000	2015 HK\$'000
Non-current Assets			
Property, plant and equipment		851,719	617,254
Goodwill		94,838	94,838
Available-for-sale investments		21,111	19,838
Pledged bank deposits		27,431	18,591
Deferred tax assets		70,461	52,742
Rental deposits paid		254,936	172,216
		<u>1,320,496</u>	<u>975,479</u>
Current Assets			
Inventories		973,518	913,449
Trade receivables	7	47,885	30,933
Other receivables, prepayments and deposits		173,671	198,856
Amounts due from fellow subsidiaries		75,224	77,522
Tax recoverable		20,676	21,821
Time deposits		455,458	849,314
Pledged bank deposits		18,513	28,963
Bank balances and cash		1,769,924	2,018,767
		<u>3,534,869</u>	<u>4,139,625</u>
Current Liabilities			
Trade payables	8	1,324,037	1,371,450
Other payables and accrued charges		1,293,890	1,371,886
Dividend payable		505	533
Amount due to ultimate holding company		26,487	51,860
Amounts due to fellow subsidiaries		76,047	55,433
Tax liabilities		22,618	5,621
Obligation under a finance lease		724	960
		<u>2,744,308</u>	<u>2,857,743</u>
Net Current Assets		<u>790,561</u>	<u>1,281,882</u>
Total Assets Less Current Liabilities		<u>2,111,057</u>	<u>2,257,361</u>
Capital and Reserves			
Share capital		115,158	115,158
Reserves		1,638,550	1,796,172
Equity attributable to owners of the Company		1,753,708	1,911,330
Non-controlling interests		153,512	161,324
Total Equity		<u>1,907,220</u>	<u>2,072,654</u>
Non-current Liabilities			
Rental deposits received and other liabilities		198,500	179,916
Obligation under a finance lease		-	780
Deferred tax liabilities		5,337	4,011
		<u>203,837</u>	<u>184,707</u>
		<u>2,111,057</u>	<u>2,257,361</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

The financial information relating to the years ended 31 December 2016 and 2015 included in this preliminary announcements of annual results for the years ended 31 December 2016 and 2015 do not constitute the Company’s statutory annual consolidated financial statements for those years but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 December 2015 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance and will deliver the financial statements for the year ended 31 December 2016 in due course.

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

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRSs

The Group has applied the following amendments to HKFRSs issued by the HKICPA for the first time in the current year:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 - 2014 Cycle
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27	Equity Method in Separate Financial Statements

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. REVENUE AND SEGMENT INFORMATION

Revenue represents the invoiced value of goods, net of discounts, sold to customers, and income from concessionaire sales during the year. An analysis of the Group's revenue for the year is as follows:

	2016 HK\$'000	2015 HK\$'000
Direct sales	8,198,225	8,063,687
Income from concessionaire sales	<u>838,384</u>	<u>911,628</u>
	<u><u>9,036,609</u></u>	<u><u>8,975,315</u></u>

Information reported to the Group's chief operating decision makers (i.e. the executive directors) for the purposes of resource allocation and assessment of performance is focused on the retail stores of the Group located in different locations. The reportable segments represented the aggregate of operating segments with similar economic characteristics. The chief operating decision makers identify Hong Kong and the People's Republic of China ("PRC") as the two reportable segments.

Segment revenues and results

The following is an analysis of the Group's revenue and results from continuing operations by reportable segment:

For the year ended 31 December 2016

	<u>Hong Kong</u> HK\$'000	<u>PRC</u> HK\$'000	<u>Total</u> HK\$'000
Segment revenue - external	<u>3,826,626</u>	<u>5,209,983</u>	<u>9,036,609</u>
Segment (loss) profit	<u>(82,505)</u>	<u>41,278</u>	<u>(41,227)</u>
Investment income			30,737
Finance costs			<u>(116)</u>
Loss before tax			<u><u>(10,606)</u></u>

For the year ended 31 December 2015

	<u>Hong Kong</u> HK\$'000	<u>PRC</u> HK\$'000	<u>Total</u> HK\$'000
Segment revenue - external	<u>3,823,447</u>	<u>5,151,868</u>	<u>8,975,315</u>
Segment profit	<u>76,701</u>	<u>2,175</u>	78,876
Rental income from an investment property			6,606
Investment income			36,440
Finance costs			<u>(210)</u>
Profit before tax			<u><u>121,712</u></u>

3. REVENUE AND SEGMENT INFORMATION - continued

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment (loss) profit represents the (loss incurred) profit earned by each segment without allocation of investment income and finance costs. This is the measure reported to the chief operating decision makers for the purposes of resource allocation and performance assessment.

Other segment information

For the year ended 31 December 2016

	<u>Hong Kong</u> HK\$'000	<u>PRC</u> HK\$'000	<u>Segment total</u> HK\$'000
Amounts included in the measure of segment profit or loss:			
Depreciation	99,584	108,213	207,797
Impairment loss recognised in respect of property, plant and equipment	-	163	163
Loss on disposal/written off of property, plant and equipment	5,498	526	6,024
Write-down of inventories	<u>2,791</u>	<u>-</u>	<u>2,791</u>

For the year ended 31 December 2015

	<u>Hong Kong</u> HK\$'000	<u>PRC</u> HK\$'000	<u>Segment total</u> HK\$'000
Amounts included in the measure of segment profit or loss:			
Depreciation	83,592	106,678	190,270
Impairment loss recognised in respect of other receivables	907	-	907
Impairment loss recognised in respect of property, plant and equipment	-	9,026	9,026
Loss on disposal/written off of property, plant and equipment	12,873	226	13,099
Write-down of inventories	<u>744</u>	<u>-</u>	<u>744</u>

4. INCOME TAX EXPENSE

	2016 HK\$'000	2015 HK\$'000
The charges (credits) comprise:		
Current tax		
Hong Kong	-	21,578
Other regions in the PRC	<u>24,377</u>	<u>13,878</u>
	<u>24,377</u>	<u>35,456</u>

4. INCOME TAX EXPENSE- continued

	2016 HK\$'000	2015 HK\$'000
Overprovision in prior years		
Hong Kong	-	(3,378)
Other regions in the PRC	-	(11,135)
	<u>-</u>	<u>(14,513)</u>
	24,377	20,943
Deferred tax		
Current year	<u>(19,970)</u>	<u>(2,786)</u>
Income tax expense for the year	<u>4,407</u>	<u>18,157</u>

No provision for Hong Kong Profits Tax is made as the Company has no assessable profit for the year ended 31 December 2016.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the year ended 31 December 2015.

The PRC income tax is calculated at 25% of the estimated assessable profits of the subsidiaries for both years.

Deferred tax liability in respect of the withholding tax on the undistributed earnings of subsidiaries during the year has been provided at the applicable tax rate.

5. DIVIDENDS

	2016 HK\$'000	2015 HK\$'000
Final dividend paid for 2015 of 7.8 HK cents (2015: 26.2 HK cents for 2014) per ordinary share	20,280	68,120
Interim dividend paid for 2016 of 20 HK cents (2015: 10.1 HK cents for 2015) per ordinary share	52,000	26,260
Special dividend paid for 2016 of 20 HK cents (2015: nil for 2015) per ordinary share	<u>52,000</u>	<u>-</u>
	<u>124,280</u>	<u>94,380</u>

The Board of Directors has recommended a final dividend of 20.0 HK cents per share (2015: 7.8 HK cents) to be paid on or before 28 June 2017, subject to shareholders' approval at the forthcoming annual general meeting on 31 May 2017.

6. (LOSS) EARNINGS PER SHARE

The calculation of basic (loss) earnings per share attributable to the owners of the Company is based on the Group's loss for the year attributable to owners of the Company of HK\$23,228,000 (2015: profit of HK\$93,170,000) and on 260,000,000 (2015: 260,000,000) ordinary shares in issue during the year.

No diluted (loss) earnings per share have been presented as there are no potential ordinary shares in issue for both years.

7. TRADE RECEIVABLES

The Group does not have a defined fixed credit policy as its major trade receivables arise from credit card sales.

The following is an aged analysis of trade receivables presented based on the invoice date at the end of the reporting period, which approximated the respective revenue recognition dates.

	2016 HK\$'000	2015 HK\$'000
Within 30 days	47,298	30,495
31 to 60 days	215	93
Over 60 days	372	345
	<u>47,885</u>	<u>30,933</u>

8. TRADE PAYABLES

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting periods.

	2016 HK\$'000	2015 HK\$'000
0 to 60 days	1,118,729	1,172,567
61 to 90 days	92,645	97,100
Over 90 days	112,663	101,783
	<u>1,324,037</u>	<u>1,371,450</u>

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 24 May 2017 to 31 May 2017 (both days inclusive), for the purpose of determining Shareholders' entitlement to attend and vote at the annual general meeting, during which period no transfers of Shares will be registered. In order to qualify for the attending and voting at the forthcoming annual general meeting, all share transfers accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrar, Tricor Secretaries Limited, at Level 22 Hopewell Centre, 183 Queen's Road East Hong Kong not later than 4:30 p.m. on 23 May 2017.

The Register of Members of the Company will be closed from 7 June 2017 to 8 June 2017 (both days inclusive), for the purpose of ascertaining Shareholders' entitlement to the proposed final dividend, during which period no transfers of Shares will be registered. In order to qualify for the proposed final dividend to be approved at the forthcoming annual general meeting, all share transfers accompanied by the relevant share certificates, must be lodged for registration with the Company's share registrar, Tricor Secretaries Limited, at Level 22 Hopewell Centre, 183 Queen's Road East Hong Kong not later than 4:30 p.m. on 6 June 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Despite weak consumer sentiment due to economic uncertainties, and an unusually warm winter, as well as the partial closure of the Kornhill and Whampoa stores for their transformation into pioneering “AEON STYLE” stores, the Group still maintained a growth in revenue of 0.7% to HK\$9,036.6 million in 2016 from HK\$8,975.3 million last year, mainly driven by the PRC segment and the full period contribution of newly opened stores. Gross profit margin was slightly adjusted to 31.2% (2015: 31.7%), mainly due to the launch of promotional activities and clearance sales prior to the partial closure of the Kornhill and Whampoa stores together with the further increase in the PRC segment share within the Group’s revenue. During the period under review, affected by the partial closure of the two stores and the increase in operating cost, the Group recorded a loss attributable to shareholders of HK\$23.2 million, compared with profit of 93.2 million in 2015.

During the year, staff cost mildly increased 0.6%, mainly attributable to salary adjustment of the Group and the additional labour costs incurred by the newly-opened stores in the PRC. Rental costs rose by 2.8% and the ratio of rental costs to revenue increased from 11.8% to 12.0% according to the adjustment in the lease agreements. Other operating expenses including selling, distribution and administrative expenses after excluding rental cost which increased by 0.6% in line with general inflation and as a result of the enlarged scale of the Group’s operations created by the newly-opened stores.

As at 31 December 2016, the Group maintained a strong net cash position with cash and bank balance and short term time deposits of HK\$2,225.4 million (2015: HK\$2,868.1 million). The Group had no bank borrowings at the year end date and has sufficient internal resources to finance future business expansion.

As at 31 December 2016, deposits of HK\$31.9 million (2015: HK\$32.5 million) were pledged as guarantees to landlords for rental deposits. Deposits of HK\$14.0 million (2015: HK\$15.1 million) were pledged as a guarantee to regulatory bodies for prepaid value cards sold.

In 2016, capital expenditure for opening new stores and store renovations in Hong Kong and the PRC amounted to HK\$470.1 million. Reflecting its strong financial position, the Group continues to finance future capital expenditure by internal resources and short-term borrowings.

Fluctuation of currency exchange rates had no material impact on the Group’s retail business as less than 5% of the Group’s total purchases were settled in foreign currencies other than its functional currencies in Hong Kong and in the PRC. The Group recorded an exchange loss of HK\$19.7 million in 2016, compared to HK\$9.8 million in the year before, which was mainly attributable to the depreciation of Renminbi leading to a decrease in the valuation of receivable items denominated in Renminbi and Renminbi deposits in Hong Kong.

BUSINESS REVIEW

Hong Kong Operations

In 2016, the local retail market remained sluggish due to the continuous slowdown of the economy and weak consumer sentiment, coupled with the effect of an unseasonably warm winter contributing to a drop in overall retail sales in Hong Kong by 8.1%¹ in 2016. In addition, the Hong Kong segment’s performance was significantly affected by the partial closure of the Kornhill store from March to June and the Whampoa store from May to early August as both were transformed into “AEON STYLE” stores. Nevertheless, for the year ended 31 December 2016, revenue from Hong Kong operations slightly

¹ *Census and Statistics Department HKSAR*

BUSINESS REVIEW-continued

increased by 0.1% to HK\$3,826.6 million (2015: HK\$3,823.4 million), while a segment loss was recorded at HK\$82.5 million (2015: profit of HK\$76.7 million), mainly due to the launch of promotional activities to boost sales and clearance sales prior to the partial closure of the Kornhill and Whampoa stores and the rising operating costs.

During the year, to better address the ever-changing needs of customers, the Group has introduced into Hong Kong a brand new business model, “AEON STYLE,” a proven concept brought in from Japan. Different from a traditional GMS, which has floors and layout planned by departments, “AEON STYLE” is a revolutionary operational model which has the layout of each floor by lifestyle, aiming to become a daily life partner of its customers by providing them with new lifestyle solutions. Moreover, the Group continued its efforts to develop its exclusive brands in Hong Kong, including the introduction of “Glam Beautique,” “Adult Study” and “Cantovole Bakery,” as well as further expansion of its outlets of “R.O.U.” and “AEONBODY,” offering a unique experience to customers.

During the period under review, the Group continued to identify suitable locations for new store openings in a cautious manner as a net increase of seven small-scale stores was recorded. As at 31 December 2016, the Group had 54 (2015: 48) stores in densely populated residential and commercial districts across Hong Kong.

PRC Operations

Though the PRC experienced slower economic growth in 2016, the economy has shown signs of stabilisation, along with its consumer sentiment. During the year, the PRC segment’s revenue increased by 1.1% to HK\$5,210.0 million (2015: HK\$5,151.9 million). Segment profit increased by 18.8 times to HK\$41.3 million from HK\$2.2 million in 2015. If the impact of an impairment loss of property, plant and equipment for both years are excluded, the PRC segment results would have still surged by 3.7 times from HK\$11.2 million to HK\$41.4 million. The good performance of the segment was mainly contributed by the strong control of operating costs.

The Group opened a new GMS in Panyu in the first half of the year. As at 31 December 2016, the Group operated 31 (2015: 30) stores in South China.

PROSPECTS

Hong Kong Operations

Looking ahead, the Group does not expect the consumer sentiment in Hong Kong to worsen further as stabilisation becomes evident in the overall retail market. However, the operating environment is expected to remain challenging due to Hong Kong’s exposure to economic volatility and the risk of increasing operating costs. Therefore, the Group will continue to focus its resources on optimising sales performance of existing stores and exploring new measures in achieving cost control. As the two “AEON STYLE” stores had performed as expected since their launches, the Group believes the operations of the Hong Kong segment are on the right track. Thus, the Group intends to pursue its current strategies by improving “AEON STYLE” stores, such as enhancing the assortment merchandise to meet local customers’ needs, as well as introducing the successful elements of “AEON STYLE” stores into existing stores elsewhere in Hong Kong.

The Group will also aim to further increase the contributions from direct sales through further promoting products of exclusive brands introduced by the Group to Hong Kong along with its house brand “TOPVALU” products. These initiatives are aimed at reinforcing the AEON brand image and further differentiating itself from other market players.

PROSPECTS-continued

In January 2017, the Group has opened one small-scale store in Kai Tak and will continue to explore opportunities to open small-scale stores in Hong Kong.

PRC Operations

On the PRC front, as economic growth stabilises, the Group will strive to further improve profitability of its current operations. The Group is still cautiously optimistic about the economy of the PRC, the second-largest and one of the fastest-growing in the world and considers the PRC operations as a major growth driver. The Group will continue to look for opportunities and expand prudently in the PRC through opening new stores. Currently, the Group plans to open four new stores in the PRC during 2017.

Total capital expenditure of the Group in 2017 for new store openings and store renovations in Hong Kong and the PRC is expected to be approximately HK\$380 million.

HUMAN RESOURCES

As at 31 December 2016, the Group has 8,180 full-time and 3,690 part-time employees in Hong Kong and the PRC. The Group remunerates employees based on their performance, experience and prevailing practices within the industry. Committed to delivering the highest standard of service to all of its customers, the Group continues to enhance the quality and skills of its staff by providing professional training and mentorship. It strives to create a working environment to foster camaraderie among employees.

CREATING LONG-TERM VALUE

The Group's business strategy is to optimise customer satisfaction by providing safe, reliable and environmentally-friendly merchandise that meets customer demand in a pleasant shopping environment and offering quality customer-oriented services. Embedded in the heart of every AEON employee are our AEON principles, as the Group is firmly determined to create long-term value through earning the trust of our customers.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

SUFFICIENCY OF PUBLIC FLOAT

Reference is made to the announcement of the Company dated 6 March 2015.

The public float of the Company remains below the minimum 25% requirement as required by Rule 8.08 (1)(a) of the Listing Rules. To the best knowledge, information and belief of the Directors, as at the date of this announcement, the public float of the Company is approximately 16.92%.

The Company is still in contact with its two substantial shareholders (as defined in the Listing Rules) in respect of its public float issue. At the same time, the Company is exploring other options to restore its public float. As at the date of this announcement, no concrete proposals for the restoration of public float or timetable have been determined. The Company will make further announcement when the proposal to restore its public float has been finalised.

CORPORATE GOVERNANCE

The Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Company has adopted the code provisions set out in the Code as its own code of corporate governance practice.

In the opinion of the Directors, the Company has complied throughout the year with the code provisions of the Code.

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by Directors. Having made specific enquiry of all existing Directors, the Company confirms that they have fully complied with the required standard set out in the Model Code throughout the year.

The Audit Committee of the Company has reviewed the annual results for the year ended 31 December 2016 with management.

SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2016 as set out in this announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu 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 Messrs. Deloitte Touche Tohmatsu on this announcement.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITE OF THE STOCK EXCHANGE

The annual report for the year ended 31 December 2016 containing all the information as required by the Listing Rules will be published on the websites of the Stock Exchange and the Company respectively and copies will be dispatched to shareholders of the Company in due course.

By Order of the Board
CHAN Pui Man, Christine
Managing Director

Hong Kong, 22 March 2017

As at the date of this announcement, the executive Directors are Ms. Chan Pui Man, Christine, Mr. Hideaki Yajima, Mr. Masamitsu Ikuta, Mr. Chak Kam Yuen and Mr. Lau Chi Sum Sam; the non-executive Directors are Ms. Yuki Habu and Mr. Shinya Wako; and the independent non-executive Directors are Ms. Cheng Yin Ching, Anna, Ms. Chan Yi Jen Candi Anna, Ms. Lo Miu Sheung, Betty and Mr. Chow Chi Tong.