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.

PuraPharm®

PURAPHARM CORPORATION LIMITED
培力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1498)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2016

FINANCIAL HIGHLIGHT

	Year ended 31 December			
	2016	2015	**Change**	
	HK$'000	*HK$'000*	*HK$'000*	%
Revenue				
— China CCMG	**269,283**	251,580	17,703	7.0
— Hong Kong CCMG	**166,622**	156,066	10,556	6.8
— Chinese healthcare products	**47,093**	47,664	(571)	(1.2)
— Nong's® (農本方) Chinese medicine clinics	**52,988**	18,590	34,398	185.0
	535,986	473,900	62,086	13.1
Gross profit	**348,804**	305,732	43,072	14.1
Profit for the year	**32,162**	28,458	3,704	13.0
Key profitability ratio				
Gross profit ratio	**65.1%**	64.5%		
Profit margin ratio	**6.0%**	6.0%		

The board (the "**Board**") of directors (the "**Directors**") of PuraPharm Corporation Limited (the "**Company**") is pleased to present the consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2016 (the "**Reporting Period**") as follows.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Year ended 31 December	
		2016	2015
	Notes	***HK$'000***	*HK$'000*
REVENUE	*5*	**535,986**	473,900
Cost of sales		**(187,182)**	(168,168)
Gross profit		**348,804**	305,732
Other income and gains	*5*	**10,796**	8,212
Selling and distribution expenses		**(154,380)**	(140,214)
Administrative expenses		**(154,001)**	(119,376)
Other expenses		**(3,221)**	(3,977)
Finance costs		**(9,331)**	(10,243)
PROFIT BEFORE TAX	*6*	**38,667**	40,134
Income tax expense	*7*	**(6,505)**	(11,676)
PROFIT FOR THE YEAR		**32,162**	28,458
Attributable to:			
Owners of the parent		**32,162**	28,458
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	*8*		
Basic and diluted (expressed in HK$ per share)		**0.14**	0.15

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2016	2015
	HK$'000	*HK$'000*
PROFIT FOR THE YEAR	**32,162**	28,458
OTHER COMPREHENSIVE INCOME		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:		
Available-for-sale investments:		
Changes in fair value	**413**	(212)
Income tax effect	**(68)**	35
	345	(177)
Exchange differences on translation of foreign operations	**(17,757)**	(9,306)
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	**(17,412)**	(9,483)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**14,750**	18,975
Attributable to:		
Owners of the parent	**14,750**	18,975

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December	
		2016	2015
	Notes	***HK$'000***	*HK$'000*
NON-CURRENT ASSETS			
Property, plant and equipment		**117,383**	93,713
Prepaid land lease payments		**23,070**	25,253
Intangible assets		**26,470**	8,939
Available-for-sale investments		**13,760**	13,348
Prepayments for non-current assets		**8,845**	8,035
Deferred tax assets		**12,200**	6,872
Total non-current assets		**201,728**	156,160
CURRENT ASSETS			
Inventories		**167,064**	107,987
Trade and bills receivables	*9*	**231,689**	161,018
Prepayments, deposits and other receivables		**39,638**	33,924
Pledged bank deposits		**11,000**	6,000
Cash and cash equivalents		**209,129**	232,243
Total current assets		**658,520**	541,172
CURRENT LIABILITIES			
Trade payables	*10*	**74,191**	38,091
Other payables and accruals		**58,341**	56,468
Interest-bearing bank borrowings		**261,048**	125,431
Tax payable		**7,227**	4,668
Government grants		**1,953**	1,294
Total current liabilities		**402,760**	225,952
NET CURRENT ASSETS		**255,760**	315,220
TOTAL ASSETS LESS CURRENT LIABILITIES		**457,488**	471,380

	As at 31 December	
	2016	2015
	HK$'000	*HK$'000*
TOTAL ASSETS LESS CURRENT LIABILITIES	**457,488**	471,380
NON-CURRENT LIABILITIES		
Government grants	**1,399**	1,497
Deferred tax liabilities	**1,584**	173
Total non-current liabilities	**2,983**	1,670
Net assets	**454,505**	469,710
EQUITY		
Equity attributable to owners of the parent		
Share capital	**174,375**	174,375
Shares held for share award scheme	**(10,019)**	–
Reserves	**290,149**	295,335
Total equity	**454,505**	469,710

NOTES TO FINANCIAL STATEMENTS

1. CORPORATE INFORMATION AND REORGANISATION

The Company was incorporated as an exempted company with limited liability under the Companies Law, Cap 22 of the Cayman Islands on 2 December 2011. The registered office address is P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The Company is an investment holding company. During the year ended 31 December 2016, the Group was principally engaged in the research and development, production and sale of Concentrated Chinese Medicine Granules ("**CCMG**") products and Chinese healthcare products, as well as rendering of Chinese medical diagnostic services.

In the opinion of the Board, the ultimate holding company of the Company is Fullgold Development Limited, which was incorporated in the British Virgin Islands (the "**BVI**").

2. BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for available-for-sale investments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

3.1 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	*Investment Entities: Applying the Consolidation Exception*
Amendments to HKFRS 11	*Accounting for Acquisitions of Interests in Joint Operations*
HKFRS 14	*Regulatory Deferral Accounts*
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 (2011)	*Equity Method in Separate Financial Statements*
Annual Improvements 2012–2014 Cycle	Amendments to a number of HKFRSs

The adoption of the above new and revised standards has had no significant financial effect on these financial statements.

3.2 ISSUED BUT NOT YET EFFECTIVE HKFRSs

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

Amendments to HKFRS 2	*Classification and Measurement of Share-based Payment Transactions*[2]
Amendments to HKFRS 4	*Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts*[2]
HKFRS 9	*Financial Instruments*[2]
Amendments to HKFRS 10 and HKAS 28 (2011)	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
HKFRS 15	*Revenue from Contracts with Customers*[2]
Amendments to HKFRS 15	*Clarifications to HKFRS 15 Revenue from Contracts with Customers*[2]
HKFRS 16	*Leases*[3]
Amendments to HKAS 7	*Disclosure Initiative*[1]
Amendments to HKAS 12	*Recognition of Deferred Tax Assets for Unrealised Losses*[1]

1 Effective for annual periods beginning on or after 1 January 2017
2 Effective for annual periods beginning on or after 1 January 2018
3 Effective for annual periods beginning on or after 1 January 2019
4 No mandatory effective date yet determined but available for adoption

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, except HKFRS 15 *Revenue from Contracts with Customers* and HKFRS 16 Leases, the Group considers that these new and revised HKFRSs may result in changes in accounting policies but are unlikely to have a significant impact on the Group's results of operations and financial position.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

(a) the China CCMG segment mainly engages in the production and sale of CCMG products in China;

(b) the Hong Kong CCMG segment mainly engages in the sale of CCMG products excluding the sales through self-operated clinics in Hong Kong;

(c) the Chinese healthcare products segment mainly engages in the production and sale of healthcare products in Hong Kong and China; and

(d) the clinics segment mainly engages in the provision of Chinese medical diagnostic services and sale of CCMG products through self-operated clinics.

Management monitors the results of the Group's operating segments respectively for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit or loss, which is a measure of adjusted profit or loss after tax. The adjusted profit or loss after tax is measured consistently with the Group's profit after tax except government grants, interest income, net foreign exchange gain, finance costs, corporate and other unallocated expenses, listing expenses and income tax expense.

Intersegment sales are eliminated on consolidation. Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the prevailing market prices.

The following tables present revenue, profit and other segment information for the Group's operating segments for the years ended 31 December 2016 and 2015.

31 December 2016

	China CCMG *HK$'000*	Hong Kong CCMG *HK$'000*	Chinese healthcare products *HK$'000*	Clinics *HK$'000*	Elimination *HK$'000*	Total *HK$'000*
Segment revenue:						
Revenue to external customers	**269,283**	**166,622**	**47,093**	**52,988**	**–**	**535,986**
Intersegment sales	**111,662**	**10,559**	**1,431**	**–**	**(123,652)**	**–**
	380,945	**177,181**	**48,524**	**52,988**	**(123,652)**	**535,986**
Segment results	**62,261**	**38,499**	**(5,794)**	**(8,670)**	**–**	**86,296**
Reconciliations:						
Government grants						**7,780**
Interest income						**710**
Foreign exchange loss, net						**(1,739)**
Finance costs						**(9,331)**
Corporate and other unallocated expenses						**(45,049)**
Profit before tax						**38,667**
Income tax expense						**(6,505)**
Net profit						**32,162**
Other segment information:						
Depreciation and amortisation	**9,325**	**1,825**	**1,556**	**4,361**	**–**	**17,067**
Provision for impairment of inventories	**832**	**776**	**–**	**–**	**–**	**1,608**
Provision for impairment of trade receivables	**1,857**	**–**	**1,851**	**–**	**–**	**3,708**

31 December 2015

	China CCMG *HK$'000*	Hong Kong CCMG *HK$'000*	Chinese healthcare products *HK$'000*	Clinics *HK$'000*	Elimination *HK$'000*	Total *HK$'000*
Segment revenue:						
Revenue to external customers	251,580	156,066	47,664	18,590	–	473,900
Intersegment sales	94,443	6,554	3,013	–	(104,010)	–
	346,023	162,620	50,677	18,590	(104,010)	473,900
Segment results	74,627	34,642	4,029	(11,056)	–	102,242
Reconciliations:						
Government grants						5,567
Interest income						833
Foreign exchange gain, net						150
Finance costs						(10,243)
Corporate and other unallocated expenses						(39,416)
Listing expenses						(18,999)
Profit before tax						40,134
Income tax expense						(11,676)
Net profit						28,458
Other segment information:						
Depreciation and amortisation	10,021	1,696	935	970	–	13,622
Provision for impairment of inventories	3,101	58	24	–	–	3,183
Provision for impairment of trade receivables	699	–	823	–	–	1,522

Geographical information

(a) Revenue from external customers

	2016 **HK$'000**	2015 *HK$'000*
Hong Kong	**266,191**	219,440
Mainland China	**269,795**	254,460
	535,986	473,900

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	2016	2015
	HK$'000	*HK$'000*
Hong Kong	**52,626**	25,808
Mainland China	**123,142**	110,132
	175,768	135,940

The non-current asset information above is based on the locations of the assets and excludes available-for-sale investments and deferred tax assets.

Information about major customer

For the years ended 31 December 2016 and 2015, there was no single customer from which more than 10% of the Group's total revenue was derived.

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the net invoiced value of goods sold, after allowances for returns and trade discounts; and the value of services rendered during the year.

An analysis of revenue, other income and gains operations is as follows:

	2016	2015
	HK$'000	*HK$'000*
Revenue		
Sale of CCMG and Chinese healthcare products	**521,069**	468,665
Rendering of Chinese medical diagnostic services	**14,917**	5,235
	535,986	473,900
Other income and gains		
Government grants*	**7,780**	5,567
Bank interest income	**710**	833
Gain from the sale of equipment and accessories	**2,201**	1,522
Foreign exchange gain, net	**–**	150
Others	**105**	140
	10,796	8,212

* The amount represented government grants from the relevant authorities in the PRC, which consisted primarily of subsidies and compensation for the finance costs, research and development costs and grants for improvement of the Group's research facilities in relation to certain research and development projects.

6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2016	2015
	HK$'000	*HK$'000*
Cost of inventories sold	**179,934**	162,445
Cost of services provided	**7,248**	2,540
Depreciation	**13,971**	12,110
Amortisation of		
Prepaid land lease payments	**526**	395
Intangible assets	**2,570**	1,117
	3,096	1,512
Research and development costs*	**18,115**	15,603
Minimum lease payments under operating leases		
Office equipment	**226**	190
Land and buildings	**23,152**	13,089
	23,378	13,279
Auditor's remuneration	**2,305**	2,042
Listing expense	**–**	18,999
Employee benefit expense (excluding directors' remuneration):		
Wages and salaries	**101,283**	80,042
Pension scheme contributions	**12,467**	11,512
	113,750	91,554
Foreign exchange loss/(gain), net**	**1,739**	(150)
Impairment of trade and bills receivables	**3,708**	1,522
Write-down of inventories to net realisable value***	**1,608**	3,183
Loss on disposal of items of property, plant and equipment	**224**	143

* Included in the research and development costs were HK$632,000 (2015: HK$714,000) disclosed in the item of "Depreciation" and HK$8,709,000 (2015: HK$7,000,000) disclosed in the item of "Employee benefit expense", for the year ended 31 December 2016.

** The net foreign exchange loss/(gain) was included in "Other expenses" (2015: "Other income and gains") in the consolidated statement of profit or loss for the year ended 31 December 2016.

*** The write-down of inventories to net realisable value was included in the "Cost of sales" in the consolidated statement of profit or loss for the years ended 31 December 2016 and 2015.

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which subsidiaries of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands and BVI, the subsidiaries of the Group which incorporated in the Cayman Islands and BVI are not subject to any income tax. Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during the years ended 31 December 2016 and 2015. The statutory tax rate of the Group in respect of its operation in Mainland China is 25%. The Group's PRC subsidiary, Purapharm (Nanning) Pharmaceuticals Co., Limited is qualified as a High and New Technology Enterprise and was subject to a preferential income tax rate of 15%.

	2016	2015
	HK$'000	*HK$'000*
Current	**10,457**	13,393
Deferred	**(3,952)**	(1,717)
Total tax charge for the year	**6,505**	11,676

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

	2016	2015
	HK$	HK$
Earnings per share attributable to ordinary equity holders of the parent		
— Basic and diluted	**0.14**	0.15

The calculation of the basic earnings per share is based on the profit for the year attributable to ordinary equity holders of the parent and the weighted average number of shares in issue during the year:

The calculation of basic earnings per share is based on:

	2016	2015
	HK$'000	HK$'000
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	**32,162**	28,458

The calculation of the weighted average number of ordinary shares amounting to 223,444,571 (2015: 195,873,288) in issue for the year ended 31 December 2016, as adjusted to reflect the shares held for share award scheme, is as follows:

	Notes	**2016**	2015
Number of issued shares on 1 January		**225,000,000**	3,870,968
Effect of the Subdivision of Shares on 12 June 2015	*a*	**–**	34,838,712
Effect of Initial Public Offering on 8 July 2015	*b*	**–**	27,123,288
Effect of Capitalisation Issue on 8 July 2015	*c*	**–**	130,040,320
Adjustment for shares held for share award scheme	*d*	**(1,555,429)**	–
Weighted average number of ordinary shares		**223,444,571**	195,873,288

No adjustment has been made to the basic earnings per share amounts presented for the years 2016 and 2015 in respect of a dilution as the Group had no potential dilutive ordinary shares in issue during those years.

Note:

(a) Pursuant to a written resolution of the shareholders of the Company passed on 12 June 2015, the issued shares of the Company was increased from 3,870,968 to 38,709,680 by the subdivision of each share of the Company with par value of US$1.00 per share into 10 shares with par value of US$0.10 each, ranking pari passu in all respects with the existing shares of the Company.

(b) On 8 July 2015 (the "**Listing Date**"), 56,250,000 new shares of US$0.1(HK$0.775) each were issued at a price of HK$5.98 per share in connection with the Company's initial public offering on the Stock Exchange. The proceeds of HK$43,594,000 representing the par value, were credited to the Company's share capital. The remaining proceeds of HK$292,781,000 (before deduction of share issue expenses) were credited to the share premium account.

(c) Pursuant to a written resolution of the shareholders of the Company passed on 12 June 2015, a total of 130,040,320 shares of US$0.1 (HK$0.775) each were allotted and issued at par value to the shareholders as of the date immediately before the Listing Date on a pro rata basis by way of capitalisation of US$13,004,000 (HK$100,781,000) from the Company's share premium account on the Listing Date.

(d) During the year ended 31 December 2016, the Company purchased a total of 3,021,000 shares of the Company through the Stock Exchange of an aggregated consideration of approximately HK$10,019,000.

9. TRADE AND BILLS RECEIVABLES

	2016	2015
	HK$'000	*HK$'000*
Trade receivables	**234,652**	159,137
Bills receivable	**1,554**	2,910
	236,206	162,047
Less: Impairment of trade and bills receivables	**(4,517)**	(1,029)
	231,689	161,018

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one to six months, extending up to longer periods for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An aging analysis of the trade and bills receivables as at 31 December 2016 and 2015, based on the invoice date and net of impairment, is as follows:

	2016	2015
	HK$'000	*HK$'000*
Within 1 month	**124,199**	97,500
1 to 3 months	**42,690**	22,213
3 to 6 months	**24,841**	18,236
Over 6 months	**39,959**	23,069
	231,689	161,018

10. TRADE PAYABLES

An aging analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2016	2015
	HK$'000	*HK$'000*
Within 1 month	**35,736**	22,193
1 to 2 months	**22,687**	9,919
2 to 3 months	**12,747**	4,142
Over 3 months	**3,021**	1,837
	74,191	38,091

The trade payables are interest-free and are normally settled on terms of one to six months, extending to longer periods for those long standing suppliers.

Included in the trade payables is an amount due to a related company of HK$147,000 (2015: HK$840,000) as at 31 December 2016, which is settled on the term of two months.

11. DIVIDENDS

	2016	2015
	HK$'000	*HK$'000*
Proposed final dividend — HK2.02 cents (2015: HK8.89 cents) per ordinary share	**4,545**	20,003*

The proposed 2016 final dividend is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

* *The 2015 proposed final dividends of HK$20,003,000 has been approved by shareholders at the annual general meeting on 25 May 2016 and were subsequently distributed in June 2016. The net dividends of HK$19,936,000, after deducting dividends of HK$67,000 paid to the share award scheme, is treated as transaction with owners of the parent in the consolidated statement of changes in equity during the year ended 31 December 2016.*

12. EVENTS AFTER THE REPORTING PERIOD

(a) Acquisition of the Target PRC Companies

On 9 November 2016, the Group entered into a share purchase agreement with Gold Sparkle Plantation Company Limited, which was ultimately owned as to 60% by Gold Sparkle Limited ("**Gold Sparkle**") and 40% by Golden Zenith Limited ("**Golden Zenith**"), in relation to the Group's acquisition of Gold Sparkle (Guizhou) Chinese Medicine Co., Ltd. and Gold Sparkle (Guizhou) HZ Plantation Co., Ltd. (the "**Target PRC Companies**") at a total consideration of RMB190,000,000 (equivalent to approximately HK$217,512,000), payable by cash and the issue of 22,717,920 shares by the Company to Gold Sparkle and Golden Zenith at the issue price of HK$4.50 per share. The acquisition of the Target PRC Companies was approved by the shareholders of the Company on 17 January 2017 and yet to complete as at the date of approval of this announcement. Details of the acquisition of the Target PRC Companies have been set out in the Company's circular date 30 December 2016 and announcement dated 9 November 2016 and 17 February 2017, respectively.

(b) Acquisition of the Target US Company

On 3 March 2017, the Group entered into share purchase agreements with all the shareholders of the K'AN Herb Company (the "**Target US Company**") in relation to the Company's acquisition of issued and outstanding share capital in the Target US Company at a total cash considerations of US$5,400,000 (equivalent to approximately HK$41,850,000). Details of the acquisition of the Target US Company have been set out in the Company's announcement dated 3 March 2017.

The acquisition of the Target US Company was completed on 7 March 2017. Due to the timing of the transaction, the Group is still assessing the allocation of fair values of the assets acquired and liabilities assumed. The books and records of the Target US Company is under the assessment stage, and therefore the initial accounting for the business combination is under progress. Accordingly, certain disclosures in relation to the business combination as at the date of the acquisition, such as fair values of the assets acquired and liabilities assumed, goodwill recognised (if any) and acquisition-related costs, have not been presented.

PROSPECTS

To fuel future growth, the Group continues to strengthen its leading position in the Concentrated Chinese Medicine Granules ("**CCMG**") product market in Hong Kong and significantly expand its presence in Mainland China. In view of the huge demand for convenient access to CCMG by patients and leveraging the success of the Group's Nong's® (農本方®) clinic business model in Hong Kong, the Group is in the process of establishing its Nong's® (農本方®) clinics model in Mainland China and overseas market in selected regions. The Group obtained the Approval for the Establishment of Medical Institutions from Health and Family Planning Commission (衛生和計劃生育委員會), to set up its Nong's (農本方®) clinic in Shanghai and Guangxi. The first Nong's® (農本方®) clinic in China is expected to commence operation in second quarter of 2017.

Furthermore, the Group plans to vertically integrate the upstream raw Chinese herbs plantation and trading segment into the Group's CCMG business segment for the purpose of ensuring a stable supply of high-quality raw Chinese herbs at a lower cost. One of the current expansion plans and business strategies of the Group is to expand into the Traditional Chinese Medicine ("**TCM**") decoction pieces business which is highly complementary to its existing CCMG business. The TCM decoction pieces market in China was RMB196.8 billion in 2014 and is estimated to grow to RMB488.9 billion by 2019. The recent acquisition of plantation business at Guizhou will allow the Group to immediately enter into the TCM decoction pieces industry.

Consistent with its core value to internationalize TCM and to bring good health to the public, the Group recently acquired a company in the U.S. which is engaged in the manufacturing of Chinese herbal formulas in U.S. and sales to distributors and healthcare practitioners in U.S. and Europe. The acquisition presents an excellent opportunity for the Group to leverage on the expertise, resources, and sale network of the target company to develop its business in the U.S. market immediately. The Group also believes the acquisition can create synergies with its existing products and expand the products portfolio of the Group's Chinese medicine products to increase the competitiveness of the Group in the market.

MANAGEMENT DISCUSSION AND ANALYSIS

Sales Performance

	Year ended 31 December				
	2016		2015		Growth
	Revenue	**% of total**	Revenue	% of total	rate
	HK$000		*HK$'000*		
China CCMG	**269,283**	**50.2%**	251,580	53.1%	7.0%
Hong Kong CCMG	**166,622**	**31.1%**	156,066	32.9%	6.8%
Chinese Healthcare products	**47,093**	**8.8%**	47,664	10.1%	–1.2%
Nong's® (農本方)® Chinese medicine clinics	**52,988**	**9.9%**	18,590	3.9%	185.0%
Total	**535,986**	**100.0%**	473,900	100.0%	13.1%

For the year ended 31 December 2016, the Group's revenue was HK$536.0 million, representing an increase of HK$62.1 million or 13.1% compared to HK$473.9 million in last year. The revenue growth was mainly attributable to the moderate growth of the Group's CCMG products in both Mainland China and Hong Kong market, and fast expansion of the Group's Nong's® (農本方)® Chinese medicine clinics in Hong Kong.

China CCMG

For the year ended 31 December 2016, the sales of CCMG in China was HK$269.3 million, representing an increase of HK$17.7 million or 7.0% compared to HK$251.6 million in last year. The depreciation of Renminbi ("RMB") against Hong Kong dollar during the year ended 31 December 2016 has impeded the revenue growth of China CCMG reporting in Hong Kong dollar, the revenue growth of China CCMG sales denominated in RMB increased by 13.1% as compared to the last year. The increase was mainly attributed to an increase in sales volume to the Group's direct sales customers and the exclusive distributors.

For the year ended 31 December 2016, the Group appointed a subsidiary of Yunnan Baiyao Group Co., Ltd as its exclusive distributors for CCMG products in Yunnan province in China. The Group believes that by leveraging on the collaboration with the distributors with strong customer base and relationship with hospitals and medical institutions in the selected regions, the Group can increase the effectiveness of launching and selling its products in such regions within a short period of time, and the Group will continue to identify appropriate distributors for such strategy.

For the year ended 31 December 2016, due to the impact of "Two-Invoice System" policy implemented in the PRC pharmaceutical industry, which aims to reduce the number of layer of distributors between pharmaceutical manufacturers and medical institutions, the Group's small and medium-size distributors reduced their inventory level, and lower the Group's sales growth. In order to mitigate the impact of the "Two-Invoice System" policy, the Group had restructured its sales force and resources to be more focus on the direct sales customers in the target regions of Mainland China. Due to the restructuring of the China sales team and fine-turning of the sales strategies in the first half of the year to substantiate the long term growth, the sales growth in first half of the year was slightly impeded, and the sales growth has improved progressively in second half of the year.

HK CCMG

The Group continued to maintain its leading market position in Hong Kong and recorded a steady growth of revenue from the direct sales of CCMG products to its customers comprising hospitals, Chinese medicine clinics, non-profit organisations and private Chinese medicine practitioners. For the year ended 31 December 2016, the direct sales of CCMG products in Hong Kong was HK$166.6 million, representing an increase of HK$10.6 million 6.8% compared to HK$156.1 million in last year. The growth was mainly attributable by the increase demand from the hospitals and increase in number of private Chinese medicine practitioners in our customer base.

Nong's® (農本方®) Chinese medicine clinics

For the year ended 31 December 2016, the sales of CCMG products and provision of Chinese medical diagnostic services from the Group's Nong's® (農本方)® Chinese medicine clinics generated revenue of HK$53.0 million in aggregate, representing an increase of HK$34.4 million or 185% compared to HK$18.6 million in last year, which was mainly attributable to the fast expansion of the Nong's® (農本方)® Chinese medicine clinics network, from 30 clinics as at 31 December 2015 to 50 clinics in 2016.

For the year ended 31 December 2016, the Group has setup 21 new Nong's® (農本方)® Chinese medicine clinics in Hong Kong, including the first private Chinese and western medical integrative breast center for mammary gland diseases in Hong Kong. The Group's first Nong's® (農本方)® Chinese medicine clinics in Canada also commenced to operate in November 2016. The Group continues to be the largest TCM clinic chain in Hong Kong.

As one of the growth engines of the Group's business, it will continue to operate more new Nong's® (農本方)® Chinese medicine clinics in Hong Kong, and replicate the successful clinic model in China and overseas market in the future.

Chinese healthcare products

For the year ended 31 December 2016, revenue from sales of Chinese healthcare products was HK$47.1 million, representing a decrease of HK$0.6 million or 1.2% compared to HK$47.7 million in last year. The decrease was due to the impact to retail market result from the unfavorable economic environments. Despite the drop in the revenue of Chinese healthcare products, the sales of Nong's® Flu Formula and Nong's® Cough Formula products still experienced an outperform growth for the year ended 31 December 2016. The Group's Chinese healthcare products portfolio will become more comprehensive upon the acquisition of K'an Herbs Inc., a U.S. based Chinese herbal products company, in March 2017. The Group will continue to devote more marketing resource to improve the sales of the Chinese healthcare products, and develop new products and sales network to increase its competitiveness.

Profitability

	Year ended 31 December		
	2016	2015	Growth Rate
	HK$000	*HK$000*	
Revenue	**535,986**	473,900	13.1%
Cost of sales	**(187,182)**	(168,168)	11.3%
Gross Profit	**348,804**	305,732	14.1%
Gross profit margin	**65.1%**	64.5%	

The Group's gross profit margin for the year ended 31 December 2016 was approximately 65.1%, representing an increase of 0.6% compared to 64.5% in last year. The average selling price and unit cost remained stable during the year. The increase in the gross profit margin was mainly attributable to the increase in portion of revenue generated from Nong's® (農本方)® Chinese medicine clinics from which the Group generated a higher gross profit margin.

Other income and gains

The Group's other income and gains mainly comprised of government grants, gain from sale of equipment and accessories and interest income. For the year ended 31 December 2016, the Group's other income and gain was HK$10.8 million, representing an increase of HK$2.6 million or 31.5% compared to HK$8.2 million in last year. The increase was mainly due to the increase in government grants received and gain from sale of equipment and accessories.

Selling and distribution expenses

The Group's selling and distribution expenses mainly comprised of advertising and promotion expenses, sales and marketing staff costs, delivery and storage costs, depreciation expense, travel and business development expenses, and sales and marketing departmental expenses. For the year ended 31 December 2016, the Group's selling and distribution expenses was HK$154.4 million, representing an increase of HK$14.2 million or 10.1% compared to HK$140.2 million in last year. The increase was mainly attributable to (i) increased advertising and promotional activities to strengthen the promotion of the Group's products and brands, and (ii) increase in our in-house sales and marketing personnel head count to strengthen our sales team for business development and enhancing services to customers. For the year ended 31 December 2016, selling and distribution expenses as a percentage to revenue improved to 28.8%, as compared to 29.6% in last year.

Administrative expenses

The Group's administrative expenses mainly comprised of staff costs, research and development costs, rental expenses, legal and professional fees, listing expenses, clinic management fee, depreciation and amortisation, and other general administrative expenses. For the year ended 31 December 2016, the Group's administrative expenses was HK$154.0 million, representing an increase of HK$34.6 million or 29.0% compared to HK$119.4 million in last year. The increase was mainly attributable to (i) increase in clinic management fee, rental expenses and relevant clinic operating expenses in relation to the Group's Nong's® (農本方)® Chinese medicine clinics as the Group operated 50 clinics as at 31 December 2016, as compared to 30 as at 31 December 2015, (ii) an increase in staff costs due to increase senior management and staffs to strength the supply chain management and information technology infrastructure to enhance the efficiency of the Group's operation as the Group recognises the importance of building the strong foundation to substantiate the long term growth, and (iii) increase in administrative expenses for setting up new offices and operations in Shanghai, Canada, Australia and Japan.

Other expenses

The Group's other expenses mainly comprised of voluntary charity donation, foreign exchange loss and miscellaneous expenses. The decrease was primarily attributable to a decrease in its charity donations mainly in Hong Kong.

Finance costs

For the year ended 31 December 2016, the Group's finance costs amounted to HK$9.3 million, representing a decrease of HK$0.9 million or 8.9% as compared to HK$10.2 million in last year. The decrease was mainly due to the decrease in effective interest rate on bank borrowings for the year ended 31 December 2016 as compared to last year.

Income tax expense

For the year ended 31 December 2016, the Group's income tax expenses amounted to HK$6.5 million, representing a decrease of HK$5.2 million or 44.3% as compared to HK$11.7 million in last year. The decrease was mainly due to the decrease in taxable profit as a result of increased operating costs for new business segments development, and the effect of non-deductible listing expense in last year, no such expense for the year ended 31 December 2016.

Liquidity and financial resources

Cash position and interest-bearing bank borrowings

As at 31 December 2016, the Group had net current assets of HK$255.8 million (31 December 2015: HK$315.2 million), which included cash and cash equivalent of HK$209.1 million (31 December 2015: HK$232.2 million) and interest-bearing bank borrowings amounting to HK$261.0 million (31 December 2015: HK$125.4 million). As at 31 December 2016, the Group's unused bank facilities including overdraft amounted to HK$197.5 million (31 December 2015: HK$114.1 million).

Cash flow and liquidity ratio analysis

	Year ended 31 December	
	2016	2015
	HK$000	*HK$000*
Net cash used in operating activities	**(55,828)**	(12,570)
Net cash used in investing activities	**(65,208)**	(44,760)
Net cash from financing activities	**102,701**	267,797
Current ratio	**1.6**	2.4
Gearing ratio	**0.6**	0.3

For the year ended 31 December 2016, the Group's net cash used in operating activities was HK$55.8 million, which was primarily attributable to (i) the increase in trade and bills receivables of HK$85.8 million mainly resulted from the increased sales in the last quarter, and (ii) increase in inventories of HK$69.8 million which is the Group's inventory management strategy to increase the inventory level to secure the supply and minimise the exposure of the price fluctuation of the raw Chinese herbs.

For the year ended 31 December 2016, the Group's net cash used in investing activities was HK$65.2 million, which was primarily attributable to (i) the capital expenditures incurred for acquisition of production equipment and enhancement of existing production line, (ii) establishment of new Nong's® (農本方)® Chinese medicine clinics and (iii) acquisition of intellectual properties in respect of the two Chinese medicines management software for clinic operation.

For the year ended 31 December 2016, the Group's net cash from financing activities was HK$102.7 million, which was mainly resulted from the net increase in bank borrowings of HK$142.0 million.

The Group's net current ratio decreased from 2.4 as at 31 December 2015 to 1.6 as at 31 December 2016, and gearing ratio (calculated by dividing total interest-bearing bank borrowings by total equity) increased from 0.3 as at 31 December 2015 to 0.6 as at 31 December 2016. The decrease in net current ratio and increase in gearing ratio was mainly due to additional bank loans taken up by the Group as working capital for business development and capital expenditures.

Exchange risk

The Group conducts business primarily in Hong Kong and China with most of its transactions denominated and settled in Hong Kong dollars and Renminbi. Currently, the Group has not entered into any foreign exchange contracts to hedge against the fluctuations in exchange rate between Renminbi and Hong Kong dollars. However, the Group monitors foreign exchange exposure regularly and considers if there is a need to hedge against significant foreign currency exposure when necessary.

Capital commitments

	Year ended 31 December	
	2016	2015
	HK$000	*HK$000*
Contracted, but not provided for:		
Acquisition of subsidiaries*	**217,512**	–
Land and buildings	**48,582**	48,582
Plant and machinery	**8,866**	3,257
Intangible assets	**–**	709
	274,960	52,548

* As at 31 December 2016, the Group had contracted for capital commitments in respect of the acquisition of the Target PRC Companies amounting to RMB190,000,000 (equivalent to approximately HK$217,512,000). Further details are given in note 12 in this announcement.

Pledge of assets

The following assets were pledged as securities for interest-bearing bank borrowings:

	Year ended 31 December	
	2016	2015
	HK$000	*HK$000*
Property, plant and equipment	**54,124**	56,161
Prepaid land lease payments	**2,779**	2,704
Available-for-sale investments	**2,570**	10,849
Inventories	**39,022**	35,819
Trade and bills receivables	**–**	17,037
Prepayments, deposits and other receivables	**–**	689
Pledged bank deposits	**11,000**	6,000
	109,495	129,259

Contingent liabilities

The Group had no material contingent liabilities as at 31 December 2016.

Human resources

As at 31 December 2016, the Group had a total of 544 employees (31 December 2015: 469 employees). For the year ended December 2016, total staff costs excluding Directors' remuneration was HK$113.8 million (31 December 2015: HK$91.6 million). The Group offers a competitive remuneration package to its employees, including mandatory retirement funds, insurance and medical coverage. In addition, discretionary bonus and share options may be granted to eligible employees based on the Group's and individual's performance. The Group also allocated resources for providing continuing education and training for management and employees so as to improve their skills and knowledge.

USE OF PROCEEDS

The proceeds from the initial public offering in July 2015, after deduction of related issuance expenses, amounted to approximately HK$288.4 million. As at 31 December 2016, the Group had utilised approximately HK$134.2 million of the net proceeds in accordance with the proposed applications set out in the Company's listing prospectus, as follows:

Use	**Approximate amount of net proceeds** *(in HK$ million)*	**Approximate percentage of net proceeds**	**Approximate amount utilized** *(in HK$ million)*
To expand manufacturing facilities and enhance existing production lines	86.5	30%	28.8
To establish new Nong's® Chinese medicine clinics in Hong Kong and the PRC	72.1	25%	32.4
To expand distribution network into new target cities in the PRC	57.7	20%	36.8
To fund the development and launch of two new proprietary Chinese medicine products	43.3	15%	7.4
Additional working capital of the Group	28.8	10%	28.8
	288.4	100%	134.2

CORPORATE GOVERNANCE

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

The Company has adopted the code provisions stated in the Corporate Governance Code (the "**Code**") as set out in Appendix 14 to the Listing Rules. Throughout the year ended 31 December 2016, save as disclosed below, the Company has been in compliance with all applicable code provision set out in the Code.

Pursuant to provision A.2.1 of the Code, the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. However, due to the nature and extent of the Group's operations and Mr. Chan Yu Ling, Abraham ("Mr. Abraham Chan")'s in-depth knowledge and experience in Chinese medicine and healthcare products and his familiarity with the operations of the Group, the Company considers that it is not preferable to find an alternative candidate to replace Mr. Abraham Chan and serve in either of the positions at this stage. As such, the role of the chairman and chief executive officer of the Company are not being separated pursuant to the requirement under A.2.1 of the Code.

AUDIT COMMITTEE

The Company established an audit committee on 12 June 2015 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraph C.3 of the Code. The audit committee consists of two independent non-executive Directors and one non-executive Director, namely Mr. Ho Kwok Wah, George (being the chairman of the audit committee who has a professional qualification in accountancy), Dr. Leung Lim Kin, Simon and Mr. Chan Kin Man, Eddie. The primary duties of the audit committee are to assist the Board by providing an independent view of the effectiveness of the financial reporting process, internal control and risk management system of the Group, to oversee the audit process, to develop and review our policies and to perform other duties and responsibilities as assigned by our Board. The audit committee discussed the accounting principles and policies adopted by the Group together with the management and the external auditors; and reviewed the consolidated results of the Group for the year ended 31 December 2016.

REVIEW OF PRELIMINARY ANNOUNCEMENT OF RESULTS BY THE INDEPENDENT AUDITORS

The figures in respect of the Group's results for the year ended 31 December 2016 as set out in this preliminary announcement have been agreed by the Group's independent auditors, Ernst & Young, Certified Public Accountants of Hong Kong ("**Ernst & Young**") to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Ernst & Young 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 Ernst & Young on this preliminary announcement of results.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules as its own code of conduct for securities transactions by Directors. Specific enquiries have been made to all Directors and the Directors have confirmed that they have complied with the required standard of dealing as set out in the Model Code during the year ended 31 December 2016.

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

Save for the 3,021,000 shares purchased through the Stock Exchange by the share award scheme trust of the Company, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities throughout the year ended 31 December 2016.

IMPORTANT EVENTS SINCE THE END OF THE REPORTING PERIOD

Acquisition of the Target PRC Companies

On 9 November 2016, the Group entered into a share purchase agreement with Gold Sparkle Plantation Company Limited, which was ultimately owned as to 60% by Gold Sparkle Limited ("**Gold Sparkle**") and 40% by Golden Zenith Limited ("**Golden Zenith**"), in relation to the Group's acquisition of Gold Sparkle (Guizhou) Chinese Medicine Co., Ltd. and Gold Sparkle (Guizhou) HZ Plantation Co., Ltd. (the "**Target PRC Companies**") at a total consideration of RMB190,000,000 (equivalent to approximately HK$217,512,000), payable by cash and the issue of 22,717,920 shares by the Company to Gold Sparkle and Golden Zenith at the issue price of HK$4.50 per share. The acquisition of the Target PRC Companies was approved by the shareholders of the Company on 17 January 2017 and yet to complete as at the date of this announcement. Details of the acquisition of the Target PRC Companies have been set out in the Company's circular dated 30 December 2016 and announcements dated 9 November 2016 and 17 February 2017.

Acquisition of the Target US Company

On 3 March 2017, the Group entered into share purchase agreements with all the shareholders of K'AN Herb Company (the "**Target US Company**") in relation to the Company's acquisition of issued and outstanding share capital in the Target US Company at a total cash considerations of US$5,400,000 (equivalent to approximately HK$41,850,000). Details of the acquisition of the Target US Company have been set out in the Company's announcement dated 3 March 2017. The acquisition of the Target US Company was completed on 7 March 2017.

DIVIDEND

The Board recommends the payment of a final dividend of HK2.02 cents per share of the Company for the year ended 31 December 2016 to the shareholders of the Company (the "**2016 Final Dividend**"). Subject to the approval by the shareholders of the Company at the forthcoming annual general meeting (the "**AGM**"), the 2016 Final Dividend will be paid on or about 23 June 2017 to shareholders whose names appear on the register of members of the Company on Tuesday, 6 June 2017.

ANNUAL GENERAL MEETING

The AGM will be held on Friday, 26 May 2017 and the notice of AGM will be published and despatched in the manner as required by the Listing rules in due course.

CLOSURE OF REGISTER OF MEMBERS

In order to determine the shareholders eligibility to attend the AGM, the register of members of the Company will be closed from Tuesday, 23 May 2017 to Friday, 26 May 2017, both days inclusive, during which no transfer of shares will be registered. Only shareholders of the Company whose names appear on the register of members of the Company on 26 May 2017 or their proxies or duly authorised corporate representatives are entitled to attend the AGM. In order to qualify for attending and voting at the AGM, all properly completed transfer documents accompanied with relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 pm on 22 May 2017.

In order to determine the shareholders entitled to the 2016 Final Dividend, the register of members of the Company will be closed from Friday, 2 June 2017 to Tuesday, 6 June 2017, both days inclusive, during which no transfer of shares will be registered. Only shareholders of the Company whose names appear on the register of members of the Company on Tuesday, 6 June 2017 are entitled to the 2016 Final Dividend. In order to qualify for receiving the 2016 Final Dividend which is still subject to approval of the shareholders at the AGM, all properly completed transfer documents accompanied with relevant share certificates must be lodged with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong for registration no later than 4:30 pm on 1 June 2017.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.purapharm.com. The annual report of the Company for the year ended 31 December 2016 will also be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.purapharm.com and will be dispatched to the shareholders of the Company in due course.

FORWARD LOOKING STATEMENTS

This announcement contains certain forward looking statements with respect to the financial condition, result of operations and business of the Group. These forward looking statements represent the Company's expectations or beliefs concerning future events and involve known and unknown risks and uncertainty that could cause actual results, performance or events to differ materially from those expressed or implied in such statements.

By Order of the Board
PuraPharm Corporation Limited
Chan Yu Ling, Abraham
Chairman

Hong Kong, 27 March 2017

As at the date of this announcement, the executive directors of the Company are Mr. Chan Yu Ling, Abraham, Dr. Tsoi Kam Biu, Alvin, Mr. Chan Lung Sang and Ms. Man Yee Wai, Viola; the non-executive director of the Company is Mr. Chan Kin Man, Eddie; and the independent non-executive directors of the Company are Dr. Chan Kin Keung, Eugene, Mr. Ho Kwok Wah, George, Dr. Leung Lim Kin, Simon and Prof. Tsui Lap Chee.