

**FAIR WIND SECRETARIAL SERVICES LIMITED**

**富榮秘書服務有限公司**

3rd Floor, Kailey Tower, 16 Stanley Street, Central, Hong Kong.  
香港中環士丹利街十六號騏利大廈三樓  
Tel: 2827 1778 • Fax: 2827 4790 • E-mail: fw@fairwind.com.hk

9th Floor, Kailey Tower, 16 Stanley Street, Central, Hong Kong.  
香港中環士丹利街十六號騏利大廈九樓  
Tel: 2526 2186 • Fax: 2827 4836 • E-mail: fw@fairwind.com.hk

Our Ref.: S/7911/94 LTO/kk

Securities and Exchange Commission  
Office of International Corporation Finance  
450 Fifth Street N.W.  
Washington, D.C. 20549  
U.S.A.



25 MAY 2004

Re : China Resources Enterprise, Limited  
Rule 12g3-2(b) Materials, File No.82-4177

SUPPL

Dear Sirs,

We are instructed to enclose herewith a copy of the announcement dated 24th May, 2004 pursuant to Rule 12g3-2(b)(1)(iii) under the Securities Exchange Act of 1934 (the "Exchange Act"), in connection with the exemption from reporting under the Rule of China Resources Enterprise, Limited (the "Company").

The above document has been marked in the upper right hand corner to indicate the Commission file number for the Company's 12g3-2(b) exemption.

Pursuant to Rule 12g3-2(b)(4) and (5), the enclosed material shall not be deemed "filed" with the Commission or otherwise subject to the liabilities of Section 18 of the Exchange Act, and the furnishing of such material shall not constitute an admission for any purpose that the Company is subject to the Exchange Act.

Kindly acknowledge receipt of this letter and the enclosure by stamping the enclosed copy of this letter and returning it in the enclosed self-addressed envelope.

Yours faithfully,  
For and on behalf of  
FAIR WIND SECRETARIAL SERVICES LIMITED

RECEIVED  
2004 JUN -8 A 9:38  
OFFICE OF INTERNATIONAL  
CORPORATE FINANCE

*dlw*  
*7/2*

LO Tai On  
Director  
Encl.

c.c. Mr. Jonathan H. Lemberg,  
Morrison & Foerster, 23/F Entertainment Building  
30 Queen's Road Central, Hong Kong (30318/1)  
(w/o enclosure)  
Mr. Bryan Ho  
The Bank of New York, ADR Division, 101 Barclay Street, 22 West New York,  
NY 10286, U.S.A.

PROCESSED  
JUL 06 2004  
THOMSON  
FINANCIAL

BEST AVAILABLE COPY



# 華潤創業有限 China Resources Enterprise

(Incorporated in Hong Kong)

(Stock Code: 291)

## Financial and Operational 2004 First Quarter

This announcement is made by China Resources Enterprise, Limited ("the Company") on a voluntary basis in pursuit of a currently intends to continue to publish the quarterly financial and operational review in the future.

The financial and operational review for the 2004 first quarter was not audited and was prepared in accordance with accounting standards.

The directors of the Company are pleased to present the following unaudited financial and operational information for the first quarter of 2004.

### FINANCIAL HIGHLIGHTS

### ANALYSIS

	Three months ended		
	31 March		
	2004	2003	For the 1
	(Unaudited)	(Unaudited)	
	HK\$'000	HK\$'000	
Turnover	10,920,244	8,101,615	
Profit before taxation	497,475	371,101	
Net profit attributable to shareholders	348,995	298,475	By segment
Basic earnings per share (HK\$)	HK\$0.17	HK\$0.14	Petroleum
	At	At	Retail
	31 March	31 December	Food & Beverage
	2004	2003	Textile
	(Unaudited)	(Audited)	Property
	HK\$'000	HK\$'000	Investment
Shareholders' funds	13,882,207	13,442,534	
Minority interests	4,082,250	3,858,801	Subtotal
Consolidated net borrowings	3,239,540	2,856,490	Eliminated
Gearing ratio	18.03%	16.51%	Net change
Current ratio	1.36	1.29	
Net assets per share:			
Book value	HK\$6.61	HK\$6.43	Total

### REVIEW OF OPERATIONS

The Group's unaudited consolidated turnover and profit attributable to shareholders for the first quarter ended 31 March 2004 amounted to approximately HK\$10,920.2 million and HK\$349.0 million respectively, representing an increase of 34.8% and 16.9% over the same quarter of 2003. With the sign of rebound in the Hong Kong economy and the rapidly developing Chinese Mainland economy, most of the Group's operations, particularly the retail operation, reported encouraging improvement in performance.

#### Petroleum and Chemical Distribution

Turnover for the first quarter ended 31 March 2004 was HK\$4,250.7 million, an increase of 37.7% over last year. Net profit before corporate interest and expenses for the quarter amounted to HK\$88.8 million, remained relatively stable as compared to the same quarter of last year.

During the period under review, world oil price soared to a decade high level. The refined oil distribution business reported a strong growth in turnover but a relatively stable profit contribution as compared to the first quarter of last year. The increase in turnover was primarily

As at the end of March 2004, the Group distributes 11 into approximately 680 self-operated and franchised stores at Mainland.

#### Hong Kong Retail

Turnover for the first quarter of 2004 was HK\$251.2 million from last year. Net profit before corporate interest and expenses was HK\$21.5 million, representing an increase of 213.5% over the same

As at the end of March 2004, the Group's chain of retail Chinese Arts & Crafts Stores 中藝, 2 CRC Department Stores 華潤堂.

Whilst the SARS outbreak had severe adverse effect in the environment improved substantially since the relaxation of travel restrictions. The decline in turnover was due to the closure of 2003. Excluding this, turnover would have grown by 12.4%

distribution business reported a strong growth in turnover but a relatively stable profit contribution as compared to the first quarter of last year. The increase in turnover was primarily driven by the surge in oil price and the sales volume growth. The growth in overall sales volume by 46.8% over last year was mainly attributable to the continued efforts to secure more contracts for supplies of aviation fuel. Owing to increased cost as a result of rapid surges in oil price and the time lag in price adjustment of aviation fuel under the pricing mechanism, overall gross profit margin reduced by 1.4 percentage points.

Petrol and LPG station operation in Hong Kong and the Chinese Mainland reported slight decrease in turnover but a strong improvement in profit contribution. The effect of time lag in the price-fixing mechanism applicable to LPG eased off as compared to last year, leading to the surge in profitability for petrol and LPG station operation in Hong Kong.

The chemical operation reported an increase of 14.3% in turnover but a reduction in net profit. The increase in cost due to the surge in oil price led to a reduction in profit margin.

To tap the growing demand for piped gas in the Chinese Mainland, the Group established a joint venture with the municipal government of Suzhou in August 2003. The newly established piped gas operation in Suzhou reported satisfactory turnover and net profit contribution for the quarter under review.

With tourism recovering in Hong Kong economy and manufacturing activity remains buoyant in the Chinese Mainland, it is anticipated that demand for refined oil remains robust in the near future. While the world oil price continues to remain at high level, the Group will take prudent measures to mitigate the possible impact of the volatile oil price on the business performance.

## Retail

For the first quarter ended 31 March 2004, the Group's retail operation reported a turnover of HK\$3,722.6 million, an increase of 58.8% over last year. Net profit before corporate interest and expenses amounted to HK\$58.1 million, as compared to a net loss of HK\$8.1 million in last year.

During the period under review, the Chinese Mainland continued to maintain strong economic growth with strong exports and buoyant domestic demand. Hong Kong economy recovered moderately with consumer and investor confidence started to resume from August 2003 onwards. Benefiting from the economic upswing, the retail operation reported improvement in both turnover and profitability.

### Supermarket

Turnover for the first quarter of 2004 was HK\$3,203.5 million, an increase of 77.0% over last year. Net profit before corporate interest and expenses for the quarter amounted to HK\$35.7 million, comparing to a net loss of HK\$10.8 million in last year.

The significant increase in turnover of the operation was mainly attributable to the increase in number of stores and the consolidation of the results of 蘇果超市有限公司 Suguo Supermarket Co., Ltd ("Suguo") since October 2003.

The supermarket operation is based in Hong Kong and the Chinese Mainland. As at the end of March 2004, the Group operated a total of 1,638 stores, including 411 traditional supermarkets, 200 convenient stores, 101 superstores, 18 hypermarkets and 908 franchised stores. Out of which, 84 traditional supermarkets are operating in Hong Kong.

The supermarket operation reported a turnaround in net earnings for the quarter under review. This was mainly the combined effect of the improved performance of the existing supermarket operation, which includes the 65% equity interests of 華潤萬家有限公司 China Resources Vanguard Co., Ltd. ("CR Vanguard") and the newly consolidated Suguo operation. Following the implementation of the re-branding program, cost saving measures, new supplier rebate system and revamping of store formats, the existing supermarket operation showed a marked improvement in operational efficiency and resulted in a net profit for the period under review.

Earnings before interest, tax, depreciation and amortization ("EBITDA") of the supermarket business attributable to the Group for the quarter under review amounted to HK\$152.8 million, of which HK\$73.7 million was contributed by Suguo. Excluding the effect of Suguo, EBITDA grew by 122% as compared to the last quarter of 2003. The EBITDA growth was mainly due to the increase in supplier rebate income and implementation of effective cost control.

The revival in market sentiment as a result of economic recovery in Hong Kong since the end of last year, posed encouraging effect to the operating result of our existing godown business. Together with the contribution from the newly acquired logistics business, the logistics division under the supermarket operation reported a satisfactory result for the quarter under review.

Apart from the efforts to enhance supply chain efficiency and the re-branding program, the Group will continue to strengthen our competence and to capture the opportunities in the buoyant consumer market in the Chinese Mainland.

### Brand-fashion Distribution

Turnover for the first quarter of 2004 was HK\$267.9 million, an increase of 6.1% over last year. Net profit before corporate interest and expenses amounted to HK\$3.6 million, as compared to a net loss of HK\$3.3 million in last year.

The growth in turnover of the operation was mainly derived from the "Esprit" brand, which was distributed by the Group's 51% owned subsidiary. Turnover of the "Esprit" brand for the first quarter of 2004 increased by 8.1% over last year to HK\$182.8 million. This was mainly attributable to the sales growth in wholesales business stimulated by successful promotion for better brand recognition in the Chinese Mainland market. Driven by higher sales of the "Esprit" brand and discontinuation of the loss-making brands, overall profitability of the operation has improved.

travelers. The decline in turnover was due to the closure of a de 2003. Excluding this, turnover would have grown by 12.4% du The increase in net profit from CAC Stores 中藥 operation was n gross margin growth by reducing the sales proportion of low-mar of CRC Department Stores 華潤百貨 at Hennessy Road also help both turnover and profitability. In addition, our CR Care S moderate turnover growth.

In order to maximize the synergies among our businesses, the Care Stores 華潤堂 within our supermarkets.

## Food Processing and Distribution

Turnover and net profit before corporate interest and expenses March 2004 amounted to HK\$1,277.1 million and HK\$94.1 million, an increase of 8.6% and 8.9% over last year.

For the quarter under review, turnover of foodstuff distribution year. This was mainly attributable to the increase in demand for result of the outbreak of avian flu in the nearby Asian countries poultry from the Chinese Mainland by the HKSAR government a on-going promotion of high quality fresh meat under 五豐 improvement in overall retail environment due to the relaxation of individual travelers and the enrichment in variety of frozen food demand have resulted in sales volume growth by 36.0% for food

Marine fishing and aquatic products processing operation reported contribution over last year. The on-going efforts in exploring grounds, enhancing catching capability of fishing fleets and equipment proven to be effective in improving profitability.

To implement the Group's strategy to maximize the synergies, gradually expands into the Chinese Mainland meat market, the Pearl River Delta, the Yangtze River and the Beijing and Tianjin construction project of meat processing centre in Shanghai agreement with Shenzhen Commerce & Trade Investment Holdings acquisition of a 70% interest in Shenzhen General Food Co. to integrate the Shenzhen project with the Hong Kong market to Pearl River Delta operation to enhance profitability, taking advantage of development.

## Beverage

Turnover for the first quarter of 2004 was HK\$837.4 million, representing an increase of 11.2% over last year. Net loss before corporate interest and expenses compared to a loss of HK\$15.8 million in last year.

The increase in turnover of the operation was mainly driven by beer and purified water. Sales volume for beer and purified water was 515,839 kilolitres and 90,171 kilolitres respectively, representing 40.8% over last year. Excluding the newly acquired breweries, growth of approximately 11.2% in beer sales volume for the period reduction of loss of the operation was mainly attributable to purified water operation as well as the strong growth in beer breweries. Owing to more stringent control on material cost, average by 2.4 percentage points over last year. As a result of an increase in Shenzhen, the performance of the purified water operation improved in position for the period under review. Due to successful promotion of brand — "Snow", the sales volume of the brand increased by 29.2% over the period of last year to 150,493 kilolitres, representing 29.2% of

At the beginning of the year, the annual production capacity of 4.2 million kilolitres. The Group is currently ranked the second in the Chinese Mainland in terms of sales volume. In March 2004, the Group reached a conditional agreement with the majority shareholder of Zhongshan Limited to reorganise the company into a joint venture company which will have 70% equity interests. In May 2004, the beverage division interest in two breweries in Anhui Province. The addition of the division span our significant market presence across the Central and Eastern China and extend the distribution of our national brand, Snow. Upon completion of total number of over 30 breweries with an annual capacity of 4.2 million kilolitres. Apart from acquisitions, the Group will continue to explore and expand its market coverage in the Chinese Mainland.

## Textile

Turnover for the first quarter of 2004 was HK\$793.4 million, representing an increase of 33.2% over last year. Net profit before corporate interest and expenses amounted to HK\$23.9 million, representing a decrease of 33.2% from last year.

The growth in turnover of the operation was mainly attributed to the contribution by 華潤錦華股份有限公司 China Resources Nantong China Resources Daqing Textile Co., Ltd. and 濟南華豐紡織有限公司 Jinan Hua Feng Textile Co., Ltd., both of which the increase in selling prices driven by the high cotton prices. In

# 創業有限公司

## Resources Enterprise, Limited

(Incorporated in Hong Kong with Limited Liability)

(Stock Code: 291)

### Financial and Operational Review

#### 2004 First Quarter

basis in pursuit of a higher standard of corporate governance and in promoting the Company's transparency. The Company  
in accordance with accounting principles generally accepted in Hong Kong.

for the first quarter ended 31 March 2004.

#### ANALYSIS OF TURNOVER AND PROFIT

ended th	2003 (Unaudited) HK\$'000	For the three months ended 31 March	Turnover		Net profit/(loss) attributable to shareholders	
			2004 (Unaudited) HK\$'000	2003 (Unaudited) HK\$'000	2004 (Unaudited) HK\$'000	2003 (Unaudited) HK\$'000
3,101,615						
371,101						
298,475						
HK\$0.14		<b>By segment</b>				
		Petroleum and Chemical Distribution	4,250,659	3,087,785	88,754	89,210
		Retail	3,722,612	2,343,980	58,099	(8,102)
At		Food Processing and Distribution	1,277,115	1,175,980	94,125	86,451
December		Beverage	837,358	727,562	(13,276)	(15,806)
2003		Textile	793,429	644,666	23,912	35,800
(Audited)		Property	78,180	77,998	55,948	59,153
HK\$'000		Investments and Others	—	85,783	78,182	81,282
1,442,534						
1,858,801		Subtotal	10,959,353	8,143,754	385,744	327,988
1,856,490		Elimination of inter-segment transactions	(39,109)	(42,139)	—	—
16.51%		Net corporate interest and expenses	—	—	(36,749)	(29,513)
1.29						
HK\$6.43		<b>Total</b>	<b>10,920,244</b>	<b>8,101,615</b>	<b>348,995</b>	<b>298,475</b>

Group distributes 11 international brands through a total of  
and franchised stores at designated cities in the Chinese

2004 was HK\$251.2 million, representing a decrease of 10.9%  
corporate interest and expenses for the quarter was HK\$18.8  
213.5% over the same period of last year.

Group's chain of retail stores in Hong Kong consists of 5  
2 CRC Department Stores 華潤百貨 and 28 CR Care Stores

adverse effect in the first half of 2003, overall retail  
since the relaxation on Chinese Mainland individual  
was due to the closure of a department store at Mongkok in  
ould have grown by 12.4% during the quarter under review.  
Stores 中藥 operation was mainly due to sales growth and  
sales proportion of low-margin products. Pre-closure sales  
at Hennessy Road also helped to contribute the growth in  
In addition, our CR Care Stores 華潤堂 also recorded a

certain factories were relocated to new sites; production of these factories was temporarily  
suspended. Apart from the above, the reduction in profit was caused by the surge in cotton price  
and the increase in financing cost for the purchase of cotton.

The Group will continue to take proactive measures to mitigate the effect of fluctuation of  
cotton price.

Under the technology upgrade program, most of the machinery will be ready for production in  
the coming quarter. The Group strongly believes that the technology upgrade program is poised  
to enhance production efficiency and product quality of the textile operation and will in turn  
improve the profitability in the near future.

#### Property

Turnover for the first quarter of 2004 amounted to HK\$78.2 million, representing an increase of  
0.2% over last year. Net profit before corporate interest and expenses for the quarter was  
HK\$55.9 million, representing a decrease of 5.4% from last year.

#### Rental Properties

For the first quarter of 2004, the Group's rental properties segment, which comprised retail,  
office and industrial premises, reported a turnover and a net profit before corporate interest of  
HK\$75.6 million and HK\$55.2 million respectively, representing an increase of 1.0%

ere adverse effect in the first half of 2003, overall retail y since the relaxation on Chinese Mainland individual as due to the closure of a department store at Mongkok in ld have grown by 12.4% during the quarter under review. Stores 中藝 operation was mainly due to sales growth and sales proportion of low-margin products. Pre-closure sales at Hennessy Road also helped to contribute the growth in addition, our CR Care Stores 華潤堂 also recorded a

among our businesses, the Group plans to open more CR markets.

orporate interest and expenses for the first quarter ended 31 1 million and HK\$94.1 million respectively, representing last year.

ver of foodstuff distribution increased by 16.9% over last o the increase in demand for fresh meat in Hong Kong as a in the nearby Asian countries, the suspension of imported y by the HKSAR government and the resultant effect from the ty fresh meat under 五豐 brand name. In addition, the vironment due to the relaxation on Chinese Mainland nent in variety of frozen food products to meet customer me growth by 36.0% for frozen food trading.

rocessing operation reported 127.3% growth in net profit on-going efforts in exploring more high quality fishing ility of fishing fleets and expanding sales network have ; profitability.

to maximize the synergies among the business, the Group Mainland meat market, targeting the major cities in the ver and the Beijing and Tianjin Region. Apart from the essing centre in Shanghai, the Group entered into an ce & Trade Investment Holdings Co. in April 2004 for the Shenzhen General Food Corporation. The Group aims to 1 the Hong Kong market to become the cornerstone of the hance profitability, taking full advantage of the regional

4 was HK\$837.4 million, representing an increase of 15.1% orporate interest and expenses was HK\$13.3 million, as lliion in last year.

ration was mainly driven by the growth in sales volume of me for beer and purified water for the quarter amounted to litres respectively, representing an increase of 11.3% and e newly acquired breweries, the Group recorded an organic in beer sales volume for the quarter under review. The was mainly attributable to the improved performance of as the strong growth in earnings for Sichuan and Dalian control on material cost, average gross margin of beer grew year. As a result of an increase in sales of purified water in purified water operation improved steadily to a net profit w. Due to successful promotion launched for our national e of the brand increased by 41.9% as compared to the same litres, representing 29.2% of the total beer sales volume.

annual production capacity of the Group's breweries was over s currently ranked the second largest brewer in the Chinese ne. In March 2004, the beverage operation entered in a majority shareholder of Zhejiang Qianpi Group Company into a joint venture company, whereby our brewery business i May 2004, the beverage operation also acquired a 90% Province. The addition of these three breweries will help ce across the Central and Eastern China region and further onal brand, Snow. Upon completion, the Group operates a es with an annual capacity of approximately 5.0 million the Group will continue to emphasise on brand development the Chinese Mainland.

4 was HK\$793.4 million, representing an increase of 23.1% orporate interest and expenses for the quarter amounted to ecrease of 33.2% from last year.

eration was mainly attributable to the acquisition growth 有限公司 China Resources Jinhua Co. Ltd., ng China Resources Dashen Textiles Co., Ltd and Feng Textile Co., Ltd., being acquired in 2003, as well as a by the high cotton prices. During the quarter under review,

0.2% over last year. Net profit before corporate interest and expenses for the quarter was HK\$55.9 million, representing a decrease of 5.4% from last year.

#### Rental Properties

For the first quarter of 2004, the Group's rental properties segment, which comprised retail, office and industrial premises, reported a turnover and a net profit before corporate interest of HK\$75.6 million and HK\$55.2 million respectively, representing an increase of 1.9% and 45.2% over last year.

Due to the improved sentiment, demand for retail properties continued to pick up during the period under review. Average occupancy rate of retail premises remained high at 96.4% while industrial premises surged to 90.2%. The Group's investment properties continued to provide steady rental income. Excluding the deferred tax charge of approximately HK\$15.4 million arising from the change in Hong Kong profit tax rate from 16% to 17.5% in the same period of last year, net profit of the segment would have increased by 3.6% over last year.

#### Property Development

For the first quarter of 2004, the Group's Hong Kong property development segment, which included its 55% interest in the Villa Esplanada project, recorded a turnover of HK\$2.6 million (2003: HK\$3.8 million) and a net profit before corporate interest and expenses of HK\$0.7 million. As at the end of March 2004, 278 car parks remained unsold, of which 82% were leased out.

#### Investments and Others

After the successful spin-off of the ready mixed concrete operation in July 2003, the investment and other operation reported no turnover for the first quarter of 2004 (2003: HK\$85.7 million) and net profit before corporate interest and expenses amounted to HK\$78.1 million (2003: HK\$81.3 million).

#### Container Terminal

The Group has a 10% interest in HIT Investments Limited. The Hong Kong and Yantian deepwater port operations continued to maintain a stable profit performance for the quarter under review.

#### CAPITAL AND FUNDING

The Group's policy is to centralize surplus fund and financing requirements to achieve better treasury control and lower cost of funds. As at 31 March 2004, the Group's consolidated cash and cash equivalent amounted to HK\$3,913 million. The Group's borrowings as at 31 March 2004 were HK\$7,153 million with HK\$2,639 million repayable within 1 year, HK\$4,460 million repayable within 2 to 5 years and HK\$54 million repayable after 5 years. Committed borrowing facilities available to the Group, but not drawn as at 31 March 2004, amounted to HK\$1,500 million. Except for the US\$230 million convertible guaranteed bonds, all the borrowings are subject to floating rates.

Calculated on the basis of the Group's net borrowing over the shareholders' funds and minority interests, the Group's gearing ratio was approximately 18.0% (31 December 2003: 16.5%).

As at 31 March 2004, 47% of the Group's cash deposit balances were held in Hong Kong dollars, 38% in Renminbi and 13% in US dollars. 39% of the Group's borrowings were denominated in US dollars and 37% in Renminbi with the remainder in Hong Kong dollars. In order to limit the exposure to the fluctuations in foreign currency rates and interest rates, the Group entered into certain forward contracts and interest rate swaps to hedge for part of its borrowings.

#### PLEDGE OF ASSETS

As at 31 March 2004, fixed assets with net book value of HK\$295.3 million (31 December 2003: HK\$357.8 million) are pledged for short-term loans in the sum of HK\$253.5 million (31 December 2003: pledged for short term of HK\$256.7 million) and long term loans in the sum of HK\$56.4 million (31 December 2003: pledged for long term loan of HK\$56.4 million)

#### CONTINGENT LIABILITIES

The Group does not have any material contingent liabilities as at 31 March 2004.

#### CAUTION STATEMENT

The Board wishes to remind investors that the above financial data is based on the Company's internal records and management accounts. The above financial data for the first quarter of 2004 have not been reviewed or audited by the auditors. Shareholders and potential investors of the Company should exercise caution when dealing in shares of the Company.

By order of the Board

SONG LIN

Deputy Chairman and Managing Director

Hong Kong, 24 May 2004

As at the date of this announcement, the executive directors of the Company are Mr. Ning Gaoning (Chairman), Mr. Song Lin (Deputy Chairman and Managing Director), Mr. Chen Shulin (Deputy Managing Director), Mr. Qiao Shibo (Deputy Managing Director), Mr. Yan Biao (Deputy Managing Director), Mr. Keung Chi Wang, Ralph (Deputy Managing Director), Mr. Lau Pak Shing, Mr. Wang Qun, Mr. Zhong Yi and Mr. Kwong Man Him. The non-executive directors are Mr. Jiang Wei and Mr. Xie Shengxi. The independent non-executive directors are Dr. Chan Po Fun, Peter, Mr. Houang Tai Ninh and Dr. Li Ka Cheung, Eric.