WINFAIR INVESTMENT COMPANY LIMITED
永發置業有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 287)

REVISED ANNOUNCEMENT OF FINAL RESULTS

FOR THE YEAR ENDED 31 MARCH 2012

Reference is made to the announcement of the company dated 29 June 2012 regarding audited consolidated results of the company and its subsidiaries (the "Group") for the year ended 31 March 2012.

The board of directors of Winfair Investment Company Limited (the "Board") would like to provide supplementary information in respect of Trade and other receivables, Trade and other payables and Segment information. The Board would like to clarify that the supplementary information in the revised announcement of final results has neither any effect on the profit for the year ended 31 March 2012 nor net assets as at 31 March 2012.

The following revised announcement of the Group has incorporated all of the above supplementary information and has been reviewed by the company's audit committee.

CONSOLIDATED INCOME STATEMENT
For the year ended 31 March 2012

	Notes	2012 HK$	2011 HK$
Revenue	2	18,473,180	18,567,485
Other revenue	3	132,540	214,545
Other net (loss)/income	3	(13,484,678)	3,193,056
Fair value gain on investment properties		41,050,000	59,088,020
Administrative and general expenses		(5,875,424)	(5,187,831)
Profit before taxation		40,295,618	75,875,275
Taxation	4	(7,214,046)	(9,974,275)
Profit after taxation attributable to the equity shareholders of the company		33,081,572	65,901,000
Earnings per share (Basic and diluted)	5	HK$0.827	HK$1.648

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2012

	2012 HK$	2011 HK$
Profit for the year	33,081,572	65,901,000
Other comprehensive income for the year		
(Decrease)/increase in fair value of available-for-sale financial assets	(12,759,519)	6,347,052
Reclassification adjustment relating to disposal of available-for-sale financial assets	- -	(728,364)
	(12,759,519)	5,618,688
Total comprehensive income, net of tax, for the year attributable to equity shareholders of the company	20,322,053	71,519,688

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2012

	Notes		2012		2011
		HK$	HK$	HK$	HK$
ASSETS					
Non-current assets					
Property, plant and equipment			2,200,191		2,276,138
Investment properties			335,850,000		294,800,000
Properties held for or under development			9,900,000		9,900,000
Available-for-sale financial assets – equity shares listed in Hong Kong			89,492,196		99,220,565
			437,442,387		406,196,703
Current assets					
Trading securities – equity shares listed in Hong Kong		47,661,182		57,673,336	
Trade and other receivables	7	1,367,421		1,226,774	
Tax recoverable		284,255		100,366	
Cash and bank balances		12,681,273	61,994,131	12,379,042	71,379,518
Current liabilities					
Trade and other payables	8	4,524,956		3,431,429	
Tax payable		116,562		727,350	
Provision for long service payments		900,400	(5,541,918)	888,200	(5,046,979)
Net current assets			56,452,213		66,332,539
Total assets less current liabilities			493,894,600		472,529,242
Non-current liabilities					
Provision for long service payments		221,500		205,000	
Deferred taxation		29,540,748	(29,762,248)	23,754,548	(23,959,548)
NET ASSETS			464,132,352		448,569,694
CAPITAL AND RESERVES					
Share capital			40,000,000		40,000,000
Reserves			424,132,352		408,569,694
			464,132,352		448,569,694

Notes

1. Adoption of revised Hong Kong Financial Reporting Standards ("HKFRS")

In the current year, the group has applied, for the first time the following revised standard, issued by the HKICPA, which is effective for the group's financial year beginning on 1 April 2011.

HKAS 24 Related Party Disclosures (as revised in 2009) modifies the definition of a related party and simplified disclosures for government-related entities. The disclosure exemptions introduced in HKAS 24 (as revised in 2009) do not affect the Group.

<u>Standards, amendments and interpretations not effective</u>

The HKICPA has issued the following new and revised standards, interpretations and amendments which are not effective for the group's financial statements for the year ended 31 March 2012:

		Effective for accounting periods beginning on or after
HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for the First-time Adopters	1 July 2011
HKFRS 1 (Revised)	First-time Adoption of HKFRS – Government loans	1 January 2013
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets	1 July 2011 *
HKFRS 7 (Amendments)	Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013 *
HKFRS 9	Financial Instruments	1 January 2015 *
HKFRS 10	Consolidated Financial Statements	1 January 2013
HKFRS 11	Joint Arrangements	1 January 2013
HKFRS 12	Disclosure of Interests in Other Entities	1 January 2013
HKFRS 13	Fair Value Measurement	1 January 2013
HKAS 1 (Amendments)	Presentation of Items of Other Comprehensive Income	1 July 2012
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets	1 January 2012
HKAS 19 (2011)	Employee Benefits	1 January 2013
HKAS 27 (2011)	Separate Financial Statements	1 January 2013
HKAS 28 (2011)	Investments in Associates and Joint Ventures	1 January 2013
HKAS 32 (Amendments)	Offsetting Financial Assets and Financial Liabilities	1 January 2014
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

* Mandatory effective date extended to 1 January 2015

The group has not early adopted any new or revised standard, amendments or interpretations that are not effective for the current accounting year.

The group is in the process of making an assessment of the impact of these new standards, interpretations, improvements and amendments to standards and is not yet in a position to state the impact on the group's results and financial position upon adoption.

2. Revenue

	The group	
	2012	**2011**
	HK$	**HK$**
Gross rental income from investment properties	13,392,750	11,808,160
Dividend income from share investments listed in Hong Kong		
- trading securities	1,774,431	1,642,249
- available-for-sale financial assets	3,240,529	3,746,792
	5,014,960	5,389,041
Net result of trading in securities	65,470	1,370,284
	18,473,180	18,567,485

3. Other revenue and other net income

	The group	
	2012	**2011**
	HK$	**HK$**
Other revenue		
Bank interest income	30,540	130,545
Sundry income	102,000	84,000
	132,540	214,545
Other net (loss)/income		
Net gain on disposal of available-for-sale financial assets	- -	1,392,984
Fair value (loss)/gain on trading securities	(13,451,678)	1,830,072
Fair value loss on properties held for or under development	(33,000)	(30,000)
	(13,484,678)	3,193,056

4. Taxation

	The group	
	2012	**2011**
	HK$	**HK$**
Current income tax		
Provision for Hong Kong Profits Tax for current year	1,427,400	1,818,500
Under/(over)-provision for prior year	446	(3,640)
	1,427,846	1,814,860
Deferred tax		
Origination and reversal of temporary differences	5,786,200	8,159,415
Total income tax	7,214,046	9,974,275

Provision for Hong Kong Profits Tax is calculated at 16.5% (2011: 16.5%) on the estimated assessable profit for the year.

5. Earnings per share

The calculation of basic earnings per share is based on the consolidated profit after tax of HK$33,081,572 (2011: HK$65,901,000) and on 40,000,000 (2011: 40,000,000) ordinary shares in issue during the year.

Diluted earnings per share equals to the basic earnings per share as the company had no dilutive potential financial instrument in issue during the year (2011: Nil).

6. DIVIDENDS

	2012	**2011**
	HK$	**HK$**
Dividends attributable to the year -		
Interim dividend at HK$0.02 (2011: HK$0.025) per share paid during the year	800,000	1,000,000
Final dividend at HK$0.10 (2011: HK$0.10) per share proposed after the reporting period	4,000,000	4,000,000
	4,800,000	5,000,000
Unclaimed dividend forfeited (Note (a))	(40,605)	(40,660)
	4,759,395	4,959,340

Note (a) *Pursuant to Article 145 of the Articles of Association of the company, on 13 March 2012, the board of directors resolved that the dividends for the financial years 2004/05 to 2005/06 amounting to HK$40,605 payable on or before 17 January 2006 remained unclaimed on 13 March 2012 be forfeited and recognised in the equity.*

Note (b) *The final dividend proposed after the reporting period has not been recognised as a liability at the end of the reporting period.*

7. TRADE AND OTHER RECEIVABLES

	The group	
	2012	**2011**
	HK$	**HK$**
Rental receivables	211,513	149,015
Other receivables	783,782	698,556
Rental and receivables, unimpaired	995,295	847,571
Deposits and prepayments	372,126	379,203
	1,367,421	1,226,774

The rental and other receivables of the group were current and within normal credit period of 3 months.

8. TRADE AND OTHER PAYABLES

	The group 2012 HK$	The group 2011 HK$
Rental deposits received	2,346,473	2,035,550
Receipts in advance	666,132	83,741
Unclaimed dividends	523,275	424,820
Accrued expenses	989,076	887,318
	4,524,956	3,431,429

9. SEGMENT INFORMATION

For the purpose of assessing segment performance and making decision about operating matters, the group's chief operating decision maker based on the internal reports about operating segments of the group to allocate resources and assess their performance and manage the group's reportable segments.

The group regards the Executive Directors as the chief operating decision maker.

The principal activities of each segment are as follows:

Securities investment	– securities investment for long term and short term.
Property leasing	– letting properties
Property development	– developing properties

The following is an analysis of the group's revenue and results by operating segment for the year:

	Securities investments		Property leasing		Property development		Consolidated total	
	2012 HK$	2011 HK$	2012 HK$	2011 HK$	2012 HK$	2011 HK$	2012 HK$	2011 HK$
INCOME STATEMENT								
Segment revenue	5,080,430	6,759,325	13,392,750	11,808,160	- -	- -	18,473,180	18,567,485
Segment results	(9,716,163)	7,239,681	9,867,890	8,958,922	47,293	56,961	199,020	16,255,564
Net gain on disposal of available-for-sale financial assets	- -	1,392,984	- -	- -	- -	- -	- -	1,392,984
Fair value gain on investment properties	- -	- -	41,050,000	59,088,020	- -	- -	41,050,000	59,088,020
Fair value loss on properties held for or under development	- -	- -	- -	- -	(33,000)	(30,000)	(33,000)	(30,000)
Results before interest, tax and corporate expenses	(9,716,163)	8,632,665	50,917,890	68,046,942	14,293	26,961	41,216,020	76,706,568
Interest income							30,540	130,545
Unallocated corporate expenses							(950,942)	(961,838)
Profit before taxation							40,295,618	75,875,275
Taxation							(7,214,046)	(9,974,275)
Profit after taxation							33,081,572	65,901,000

All the group's activities are carried out in Hong Kong.

The group does not allocate certain corporate expenses to individual reportable segments.

9. SEGMENT INFORMATION (Continued)

An analysis of the group's segment assets and liabilities are as follows:-

	Securities investments		Property leasing		Property development		Consolidated total	
	2012	**2011**	**2012**	**2011**	**2012**	**2011**	**2012**	**2011**
	HK$	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**
STATEMENT OF FINANCIAL POSITION								
Assets:								
Segment assets	138,151,512	158,358,451	339,252,873	298,090,868	9,939,839	9,950,296	487,344,224	466,399,615
Tax recoverable	247,489	100,366	34,984	- -	1,782	- -	284,255	100,366
Unallocated corporate assets	- -	- -	- -	- -	- -	- -	11,808,039	11,076,240
	138,399,001	158,458,817	339,287,857	298,090,868	9,941,621	9,950,296	499,436,518	477,576,221
Liabilities:								
Segment liabilities	640,260	669,771	4,073,842	3,063,037	164,000	150,000	4,878,102	3,882,808
Tax payable and deferred taxation	- -	- -	29,654,699	24,465,398	2,611	16,500	29,657,310	24,481,898
Unallocated corporate liabilities	- -	- -	- -	- -	- -	- -	768,754	641,821
	640,260	669,771	33,728,541	27,528,435	166,611	166,500	35,304,166	29,006,527
OTHER INFORMATION								
Capital expenditure	- -	12,945	17,750	70,497,111	33,000	30,000	50,750	70,540,056
Purchase of available-for-sale financial assets	3,031,150	773,136	- -	- -	- -	- -	3,031,150	773,136
Depreciation	2,074	2,534	85,578	85,737	- -	- -	87,652	88,271
Fair value (loss)/gain on trading securities	(13,451,678)	1,830,072	- -	- -	- -	- -	(13,451,678)	1,830,072

Segment assets principally comprise all tangible assets and current assets directly attributable to each segment with the exception of certain corporate assets (including fixed deposits and bank accounts). Segment liabilities include all liabilities and borrowings directly attributable to and managed by each segment with the exception of certain corporate liabilities.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Results

For the year under review, the revenue of the group decreased slightly by HK$94,305, or 0.5%, to HK$18,473,180. The group's profit for the year decreased by HK$32,819,428, or 50%, to HK$33,081,572. The decrease was mainly due to an unrealised loss on trading securities as a result of the downturn of the Hong Kong securities market and decrease in a revaluation gain on investment properties as compared to last year.

Property development

There is no project under development with significant progress during the year.

The group continues to explore properties in Hong Kong for re-development purpose.

Property investment

The rental income and the result (excluding a revaluation gain) of the group's property leasing business increased by HK$1,584,590 or 13.4% and HK$908,968 or 10.1% to HK$13,392,750 and HK$9,867,890 respectively, as compared to last year. The increase was mainly due to the rental contribution from the acquisitions of Nos. 60-64 Ma Tau Chung Road, Kowloon in August and September 2010. During the year, the properties portfolio remained the same. The properties market sentiment in Hong Kong has remained positive which led a continuous increase in market value. As a result, the group recorded the revaluation gain of the group's property investment portfolio of HK$41,050,000 (2011: HK$59,088,020). As at 31 March 2012, the total value of group's investment properties reached HK$335,850,000.

After the end of reporting period, the group has adjusted the portfolio of investment properties. In June 2012, the group completed the acquisition of the property located at ground floor including mezzanine floor on No. 76 Waterloo Road, Kowloon (the "Waterloo Road Property") at a consideration of HK$34,500,000. On 25 June 2012, the group entered into two Provisional Agreements for Sale and Purchase (the "Provisional Agreements") with independent third parties to sell the properties located at ground floor on Nos. 19, 21 and 23 Nam Kok Road, Kowloon (the "Nam Kok Road Properties") at a total consideration of HK$75,000,000. Such disposals are expected to generate a gain of approximately HK$27,000,000, which will be recorded in the accounting year ended 31 March 2013. The expected gain on disposal is calculated by deducting carrying value as at 31 March 2012 and other incidental cost regarding the Disposals.

Share investments and dividend income

Dividend income on share investment has decreased by HK$374,081, or 6.9% to HK$5,014,960 as compared to last year. The decrease was mainly due to decrease in dividend yield of the securities held by the group.

During the year, the group reduced trading in securities and therefore reported a gain on disposal of trading securities of HK$65,470 only (2011: HK$1,370,284). Due to prevailing adverse market condition, the group's Hong Kong securities dropped by 12.5% in value as compared to 31 March 2011, leading to an unrealised loss on trading securities of HK$13,451,678 (2011: unrealised gain of HK$1,830,072) and an unrealised loss on long-term investment securities of HK$12,759,519 (2011: unrealised gain of HK$6,347,052), which were recorded in profit or loss and other comprehensive income respectively. At 31 March 2012, the group's share investment portfolios had an aggregate fair value of HK$137,153,378 (2011: HK$156,893,901).

Liquidity and financial resources

The group maintained a healthy cash position without bank borrowings as at 31 March 2012. On 28 June 2012, the group obtained a bank mortgage loan of HK$17,250,000 for the acquisition of the Waterloo Road Property. After taking the purchase consideration and the banking borrowing into calculation and assuming that the financial position at the end of June 2012 is same as in 31 March 2012, the expected gearing ratio of the group at the end of June 2012, which is taken as bank borrowings to total shareholders' equity will increase to 3.7%.

Also, in June 2012, as the group entered into two Provisional Agreements to dispose the Nam Kok Road Properties at a selling price of HK$75,000,000 which is expected to be completed on 28 September 2012, the management is confident that the group has sufficient fund to meet its future operating and project development expenditure, and loan repayment obligations.

Prospects

Recent economic indices show that the economic growth in Mainland China has been slowdown. This may indirectly affect the performance of the retailing market, resulting a downward pressure on the rental of the shop in Hong Kong. As the European sovereign debt crises are full of uncertainty, the management believe the company will face a challenge in coming years. The group will keep watch of the market change and make appropriate strategic adjustment on our assets portfolio to maximise returns to its shareholders.

DIVIDENDS

In January 2012, the group paid an interim dividend of HK$0.020 (2011: HK$0.025) per share totaling HK$800,000 (2011: HK$1,000,000).

The board will propose in the Annual General Meeting to be held on 24 August 2012 the payment of a final dividend of HK$0.10 (2011: HK$0.10) per share in respect of the year ended 31 March 2012, absorbing a total amount of HK$4,000,000 (2011: HK$4,000,000). It is proposed that the dividend cheque will be dispatched on or before 18 September 2012 to the shareholders whose names are on the Register of Members on 5 September 2012.

CLOSURE OF REGISTER

1. For the purpose of ascertaining the entitlement of the shareholders to attend and vote at the forthcoming annual general meeting, the register of members of the Company will be closed from Monday, 20 August 2012 to Friday, 24 August 2012, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the forthcoming annual general meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on Friday, 17 August 2012.

2. The register of members of the Company will also be closed from Monday, 3 September 2012 to Wednesday, 5 September 2012, both days inclusive, during which period no transfer of shares of the Company will be registered for the purpose of ascertaining the entitlement to the proposed final dividend for the year ended 31 March 2012. To qualify for the receipt of the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, 17/F., Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 31 August 2012.

CORPORATE GOVERNANCE PRACTICE

Save for the exceptions below, the company has complied with all the Code Provisions of the Code throughout the year ended 31 March 2012:

1. The group has not designated any chief executive. In normal practice, prior approvals by all executive directors are required for all strategic decisions in formal board meeting or under written resolutions. The group believes that the existing organisation and decision making procedures are adequate for the group to cope with the ever-changing economic environment;

2. The non-executive and independent non-executive directors of the company are not appointed for a specific term as they are subject to retirement by rotation and re-election at the annual general meeting of the company; and

3. Directors appointed to fill casual vacancy are not subject to election by shareholders at the first general meeting after their appointment. They will hold office until the next annual general meeting in which they are eligible for re-election.

SHARE PURCHASE, SALE OR REDEMPTION

Neither the company nor any of its subsidiaries purchased, sold or redeemed any of the company's issued shares during the year under review.

By Order of the Board

Ng See Wah
Chairman

Hong Kong, 11 July 2012

As at the date of this announcement, the executive directors of the Company are Mr. Ng See Wah, Mr. Ng Tai Wai and Mr. Ng Tai Yin Victor, the non-executive directors are Mr. So Kwok Leung and Mr. So Kwok Wai, Benjamin; the independent non-executive directors are Dr. Loke Yu alias Loke Hoi Lam, Mr. Ng Chi Yeung, Simon and Ms. Chan Suit Fei, Esther, and Ms. Ng Kwok Fun is alternate director to Mr. Ng See Wah .