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HONG KONG FERRY (HOLDINGS) COMPANY LIMITED

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 50)

2012 RESULTS ANNOUNCEMENT

BUSINESS RESULTS

The Group's consolidated profit after taxation for the year ended 31 December 2012 amounted to approximately HK\$398 million, a decrease of 30% as compared with the profit after taxation of HK\$565 million last year. However, if the gain from the disposal of Silvermine Beach Hotel in 2011 (amounting HK\$245 million) is disregarded, the Group has achieved an increase of 24% in profit in 2012 as compared with that of 2011. The earnings per share this year were HK\$1.12 compared with the earnings per share of HK\$1.59 in the previous year.

Consolidated Profit and Loss Account

For the year ended 31 December 2012

	Note	2012 HK\$'000	2011 HK\$'000
Turnover	3(a)	616,181	635,040
Cost of sales		(289,939)	(329,983)
		326,242	305,057
Other revenue	3(a) & 4	35,539	27,203
Other net income	4	19,459	43,633
Valuation gains on investment properties and investment property held for development	3(d)	220,510	127,438
Impairment loss on available-for-sale securities		(34,441)	(44,834)
Selling and marketing expenses		(41,450)	(19,620)
Administrative expenses		(42,839)	(46,250)
Other operating expenses		(48,717)	(44,829)
Profit from operations	3(b)	434,303	347,798
Profit on disposal of hotel properties	5	–	244,970
Share of profits less losses of associates		734	910
Profit before taxation	6	435,037	593,678
Taxation	7	(36,682)	(28,553)
Profit attributable to equity shareholders of the Company		398,355	565,125
Earnings per share			
— Basic and diluted	10	\$1.12	\$1.59

Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 8.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2012

	<i>Note</i>	2012 HK\$'000	2011 HK\$'000
Profit attributable to equity shareholders of the Company		398,355	565,125
Other comprehensive income for the year (after tax and reclassification adjustments):			
Available-for-sale securities:			
net movement in the securities revaluation reserve	9	150,738	(133,382)
Realisation of inter-company profits		–	(264)
		150,738	(133,646)
Total comprehensive income attributable to equity shareholders of the Company		549,093	431,479

Consolidated Balance Sheet

As at 31 December 2012

		2012	2011
	Note	HK\$'000	HK\$'000
Non-current assets			
Fixed assets			
— Investment properties		1,182,800	1,010,400
— Investment property held for development		—	108,000
— Other property, plant and equipment		73,724	79,684
— Interest in leasehold land		47,245	48,615
		<u>1,303,769</u>	<u>1,246,699</u>
Interest in associates		22,046	25,390
Available-for-sale securities		711,636	487,691
Employee benefits assets		10,796	11,189
Deferred tax assets		7,482	5,961
		<u>2,055,729</u>	<u>1,776,930</u>
Current assets			
Inventories		2,443,439	2,202,271
Trade and other receivables	11	203,096	249,011
Cash and cash equivalents		837,030	684,813
Tax recoverable		30,677	31,655
		<u>3,514,242</u>	<u>3,167,750</u>
Current liabilities			
Trade and other payables	12	359,829	174,382
Tax payable		39,711	32,217
		<u>399,540</u>	<u>206,599</u>
Net current assets		<u>3,114,702</u>	<u>2,961,151</u>
Total assets less current liabilities		5,170,431	4,738,081
Non-current liability			
Deferred tax liabilities		20,987	9,472
NET ASSETS		<u>5,149,444</u>	<u>4,728,609</u>
CAPITAL AND RESERVES			
Share capital		356,274	356,274
Reserves		4,793,170	4,372,335
TOTAL EQUITY		<u>5,149,444</u>	<u>4,728,609</u>

Notes to the Accounts

1. BASIS OF PREPARATION

The accounts have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual 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 requirements of the Hong Kong Companies Ordinance. The accounts also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group and the Company. Note 2 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in the accounts.

2. CHANGES IN ACCOUNTING POLICIES

The HKICPA has issued a few amendments to HKFRSs that are first effective for the current accounting period of the Group and the Company. These include the amendments to HKAS 12, *Income taxes – Deferred tax: recovery of underlying assets*, which the Group has already adopted in the prior period. None of the other developments are relevant to the Group’s accounts and the Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. SEGMENT INFORMATION

The operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

In a manner consistent with the way in which information is reported internally to the Group’s most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments.

- Property development: development and sale of properties.
- Property investment: leasing of properties.
- Ferry, shipyard and related operations: operation of dangerous goods vehicular ferry service, cruise vessels and ship repairs and maintenance services.
- Travel and hotel operations: hotel operation and management and operation of travel agency services.
- Securities investment: debt and equity securities investments.

Segment information is presented only in respect of the Group’s business segments. No geographical analysis is shown as less than 10% of the Group’s revenue and profit from operations were derived from activities outside Hong Kong.

Segment results

For the purposes of assessing segment performance and allocating resources between segments, the Group’s senior executive management monitors the results attributable to each reportable segment on the following bases:

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

3. SEGMENT INFORMATION (Continued)

The segment information for the years ended 31 December 2012 and 2011 about these reportable segments is presented below:

(a) Segment revenue

	Total revenue		Elimination of inter-segment revenue		Revenue from external customers	
	2012	2011	2012	2011	2012	2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Property development	252,866	286,349	–	–	252,866	286,349
Property investment	63,288	56,779	69	65	63,219	56,714
Ferry, shipyard and related operations	150,749	117,960	3,058	3,496	147,691	114,464
Travel and hotel operations	144,849	164,495	15	101	144,834	164,394
Securities investment	22,203	18,672	–	–	22,203	18,672
Others	71,080	68,944	50,173	47,294	20,907	21,650
	<u>705,035</u>	<u>713,199</u>	<u>53,315</u>	<u>50,956</u>	<u>651,720</u>	<u>662,243</u>
Analysed by:						
Turnover					616,181	635,040
Other revenue					35,539	27,203
					<u>651,720</u>	<u>662,243</u>

The principal activities of the Group are property development, property investment, ferry, shipyard and related businesses, travel and hotel operations, and securities investment.

The hotel operation was ceased after the completion of sale of the hotel properties, the Silvermine Beach Hotel, and hotel-related leasehold land, machinery and furniture in September 2011.

Turnover represents gross income from the sale of properties, sales value of goods delivered to customers, income from services rendered, rental income, interest income and dividend income.

3. SEGMENT INFORMATION (Continued)

(b) Segment result

	Reportable segment profit	
	2012	2011
	HK\$'000	HK\$'000
Property development	135,388	156,033
Property investment (note 3(d))	257,642	189,288
Ferry, shipyard and related operations	28,067	5,535
Travel and hotel operations	1,218	1,992
Securities investment	(12,660)	(25,986)
Others (note 3(e))	24,648	20,936
	434,303	347,798

(c) Reconciliation of reportable segment profit

	2012	2011
	HK\$'000	HK\$'000
Reportable segment profit derived from external customers	434,303	347,798
Profit on disposal of hotel properties (note 5)	–	244,970
Share of profits less losses of associates	734	910
	435,037	593,678

(d) The segment result of the property investment included valuation gains on investment properties and investment property held for development of HK\$220,510,000 (2011: HK\$127,438,000).

(e) The segment result of “Others” mainly comprises interest income, corporate expenses and exchange gains/losses.

(f) Other segment information

	Depreciation and amortisation		Impairment loss		Capital expenditure incurred	
	2012	2011	2012	2011	2012	2011
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Property investment	18	25	456	113	2	21
Ferry, shipyard and related operations	7,453	7,625	226	2,153	796	644
Travel and hotel operations	186	1,826	–	–	136	149
Securities investment	–	–	34,441	44,834	–	–
Others	781	740	–	–	178	903
	8,438	10,216	35,123	47,100	1,112	1,717

4. OTHER REVENUE AND NET INCOME

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Other revenue		
Management fee income	8,878	8,502
Air-conditioning charges income	6,597	6,306
Other interest income	6,262	2,474
Other income	13,802	9,921
	<u>35,539</u>	<u>27,203</u>
Other net income		
Net exchange gains	8,268	2,824
Net profit on disposal of investment properties	3,451	37,400
Net (loss)/profit on disposal of other property, plant and equipment	(4)	42
Net profit on disposal of investment property held for development	4,172	–
Net realised and unrealised gains on derivative financial instruments	–	682
Income from sale of spare parts	950	680
Forfeited deposits	1,572	891
Sundry income	1,050	1,114
	<u>19,459</u>	<u>43,633</u>

5. DISPOSAL OF HOTEL PROPERTIES

In September 2011, the Group completed the sale of the hotel properties, the Silvermine Beach Hotel, and hotel-related leasehold land, machinery and furniture for a cash consideration of HK\$280,800,000. The profit of HK\$244,970,000 arising on the sale of the properties was credited to the consolidated profit and loss account for the year ended 31 December 2011.

6. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

(a) Staff costs:

	2012 <i>HK\$'000</i>	2011 <i>HK\$'000</i>
Increase/(decrease) in liability for defined benefit retirement plan	393	(102)
Contributions to defined contribution retirement plan	2,521	2,518
	<u>2,914</u>	<u>2,416</u>
Total retirement costs	2,914	2,416
Salaries, wages and other benefits	79,608	79,221
	<u>82,522</u>	<u>81,637</u>

6. PROFIT BEFORE TAXATION (Continued)

(b) Other items:

	2012 HK\$'000	2011 HK\$'000
Amortisation of leasehold land premium	1,370	1,376
Depreciation	7,068	8,840
Cost of inventories	93,236	132,206
Auditor's remuneration		
– audit services	1,427	1,407
– other services	268	254
Operating lease charges: minimum lease payments		
– property rentals	4,694	4,673
Impairment losses on trade and other receivables	682	2,266
Rentals receivable from investment properties less direct outgoings of HK\$25,540,000 (2011: HK\$23,065,000)	(21,814)	(18,658)
Rentals receivable from operating leases, other than those relating to investment properties, less direct outgoings of HK\$923,000 (2011: HK\$1,022,000)	(10,945)	(8,319)
Interest income	(26,303)	(23,815)
Dividend income from listed investments	(16,758)	(17,970)
	<u> </u>	<u> </u>

7. INCOME TAX IN THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Taxation in the consolidated profit and loss account represents:

	2012 HK\$'000	2011 HK\$'000
Current tax – Hong Kong Profits Tax		
Provision for the year	26,705	18,459
Over-provision in respect of prior year	(17)	(108)
	<u> </u>	<u> </u>
	26,688	18,351
Deferred tax		
Origination and reversal of temporary differences	9,994	10,202
	<u> </u>	<u> </u>
	<u> </u>	<u> </u>
	36,682	28,553
	<u> </u>	<u> </u>

The provision for Hong Kong Profits Tax for 2012 is calculated at 16.5% (2011: 16.5%) of the estimated assessable profits for the year.

8. DIVIDENDS

(a) Dividends payable to equity shareholders of the Company attributable to the year

	2012 HK\$'000	2011 HK\$'000
Interim dividend declared and paid of HK10 cents (2011: HK10 cents) per ordinary share	35,627	35,627
Final dividend proposed after the balance sheet date of HK26 cents (2011: HK26 cents) per ordinary share	92,631	92,631
	<u>128,258</u>	<u>128,258</u>

The final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

(b) Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year

	2012 HK\$'000	2011 HK\$'000
Final dividend in respect of the previous financial year, approved and paid during the year, of HK26 cents (2011: HK26 cents) per ordinary share	92,631	92,631

9. OTHER COMPREHENSIVE INCOME

Components of other comprehensive income, including reclassification adjustments

	2012 HK\$'000	2011 HK\$'000
Available-for-sale securities		
Changes in fair value recognised during the year	116,297	(178,216)
Reclassification adjustments for amounts transferred to profit or loss: – impairment losses	34,441	44,834
Net movement in the securities revaluation reserve during the year recognised in other comprehensive income	<u>150,738</u>	<u>(133,382)</u>

10. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of HK\$398,355,000 (2011: HK\$565,125,000) and 356,273,883 (2011: 356,273,883) ordinary shares in issue during the year.

There were no dilutive potential ordinary shares in existence during the years 2012 and 2011, therefore diluted earnings per share are the same as basic earnings per share for both years.

11. TRADE AND OTHER RECEIVABLES

	2012 HK\$'000	2011 HK\$'000
Trade receivables	168,803	159,071
Less: allowance for doubtful debts	(497)	(2,266)
	<u>168,306</u>	<u>156,805</u>
Other receivables and prepayments	34,790	92,206
	<u>203,096</u>	<u>249,011</u>

All of the trade and other receivables except for instalment receivables of HK\$108,046,000 (2011: HK\$82,810,000) are expected to be recovered or recognised as expense within one year.

Ageing analysis

Included in trade and other receivables are trade debtors (net of allowance for doubtful debts) with the following ageing analysis at the balance sheet date:

	2012 HK\$'000	2011 HK\$'000
Current	148,143	147,958
1 to 3 months overdue	16,744	6,929
More than 3 months but less than 12 months overdue	2,271	759
More than 12 months overdue	1,148	1,159
	<u>168,306</u>	<u>156,805</u>

Trade debtors are due ranging from 7 to 45 days from the date of billing. Debtors with balances that are more than 60 days overdue are generally required to settle all outstanding balances before any further credit is granted.

12. TRADE AND OTHER PAYABLES

All of the trade and other payables are expected to be settled or recognised as income within one year except for an amount of HK\$6,684,000 of the Group (2011: HK\$4,149,000).

Included in trade and other payables are trade payables with the following ageing analysis as at the balance sheet date:

	2012 HK\$'000	2011 HK\$'000
Due within 1 month or on demand	294,592	96,525
Due after 1 month but within 3 months	45	179
Due after 3 months but within 12 months	–	650
More than 12 months	1	–
	294,638	97,354

DIVIDENDS

The Board of Directors recommends the payment of a final dividend for the year ended 31 December 2012 of HK26 cents per share. Subject to shareholders' approval at the Annual General Meeting to be held on Monday, 20 May 2013, the final dividend will be paid on or about Thursday, 6 June 2013 to shareholders whose names appear on the register of members of the Company on Wednesday, 29 May 2013. The final dividend, together with the interim dividend of HK10 cents per share already paid, will make a total distribution of HK36 cents for the full year.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from Thursday, 16 May 2013 to Monday, 20 May 2013, both days inclusive, during which period no requests for transfer of shares will be accepted. In order to determine members who are entitled to attend and vote at the forthcoming Annual General Meeting (or any adjournment thereof), all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrars, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:00 p.m. on Wednesday, 15 May 2013.

In addition, the Register of Members of the Company will also be closed from Monday, 27 May 2013 to Wednesday, 29 May 2013, both days inclusive, during which period no requests for transfer of shares will be accepted. In order to qualify for the proposed final dividend for the year, all transfer documents, accompanied by the relevant share certificates, must be lodged with the Company's Share Registrars, Tricor Standard Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, for registration no later than 4:00 p.m. on Friday, 24 May 2013.

BUSINESS REVIEW

During the year under review, profit for the Group was mainly derived from the sale of the residential units of Shining Heights, rental income and the surplus from the revaluation of investment properties.

Property Development and Investment Operations

The Group sold 14 flats in Shining Heights and 1 flat in The Spectacle which accounted for a total profit of approximately HK\$162 million during the year. Rental and other income from the commercial arcades of the Group amounted to HK\$54 million. The commercial arcades of Metro Harbour View and Shining Heights were fully let whereas the occupancy rate of the commercial portion of The Spectacle at year end was about 60%.

During the year, the superstructure works of the development project of the Group, Green Code at No. 1 Ma Sik Road, Fanling, New Territories (formerly known as Fanling Sheung Shui Town Lot No. 177) have been completed and the pre-sale of the property commenced in mid-March 2013. The response from the buyers was good. Up to yesterday, the accumulated number of residential flats sold amounted to 363, or approximately one half of the total units in the project. The sale proceeds amounted to approximately HK\$1.607 billion. The occupation permit of the property is expected to be obtained at the end of 2013.

Construction works of the site at the junction of Gillies Avenue South and Bulkeley Street, Hung Hom Inland Lot No. 555, with a site area of approximately 6,300 sq. ft., is progressing well. Foundation works are expected to be completed in the second quarter of 2013. The residential-cum-commercial tower will provide a total gross floor area of approximately 56,000 sq. ft. and 95 residential units.

Foundation works of the property at 208 Tung Chau Street (formerly known as 204-214 Tung Chau Street) is in progress. It is expected that the aforesaid works would be completed by second quarter of 2013. The project will be re-developed into a residential-cum-commercial building with a total gross floor area of approximately 54,000 sq. ft.

Ferry, Shipyard and Related Operations

The Ferry, Shipyard and related operations achieved an increase in operating profit to HK\$28.1 million. This sum represents a five-fold as compared with the profit of HK\$5.5 million last year. The increase was mainly due to increased leasing of the Group's vehicular ferries as a result of more harbour works in Hong Kong. The turnover of the shipyard operations has also improved.

Travel Operation

With increasing competition during the year under review, the Travel Operation achieved a profit of HK\$0.6 million, a decrease of 78% compared with that for last year.

Securities Investment

Although the Group recorded an impairment loss of HK\$34.4 million due to market fluctuation on available-for-sale securities in the first half of 2012, the Group derived an appreciation of approximately HK\$116 million in the portfolio following market recovery at the year end date, which had been credited into the Securities Revaluation Reserve.

FINANCIAL REVIEW

Review of Results

The Group's turnover for the year amounted to approximately HK\$616 million, representing a slight decrease of 3% when compared to the previous year. This was mainly attributed to the decrease in the sales of The Spectacle.

Liquidity, Financial Resources and Capital Structure

As of 31 December 2012, shareholders' fund of the Group showed an increase of 9% as compared to the previous year and amounted to approximately HK\$5,149 million. The increase was mainly due to net effect of the profit realised from the sale of residential units of Shining Heights, the gains on revaluation of the Group's investment properties and the payment of dividends.

There was no change as to the capital structure of the Group during the year. Funding for the Group's activities during the year under review was mainly generated from the sale of residential units of Shining Heights.

During the year, there was no material acquisition and disposal of subsidiary and associate. A net repayment of approximately HK\$4.1 million was received from an associate who provided mortgage loans to buyers of residential units of Metro Harbour View.

Current assets of the Group were recorded at approximately HK\$3,514 million as compared to the current liabilities of approximately HK\$400 million as of 31 December 2012. Current ratio of the Group had been decreased to 8.8, mainly attributed to the increase in trade and other payables.

Gearing Ratio and Financial Management

As there was no borrowing as at 31 December 2012, no gearing ratio, which is calculated on the basis of bank borrowing as a ratio of the Group's shareholders' fund, was shown. Assets of the Group had not been charged to any third parties in the year under review.

The Group's financing and treasury activities were managed centrally at the corporate level. Financing facilities extended to the Group were denominated in Hong Kong dollar. Certain deposits are denominated in Australian dollar and Renminbi, and the incidental foreign exchange exposures are kept under periodic review. The management will consider appropriate hedging measures, if necessary.

Employees

As at 31 December 2012, the number of employees of the Group stood at about 310 (2011: 310). The remuneration packages to employees were commensurable to the market trend and levels of pay in similar industries. A discretionary year-end bonus was paid to employees based on individual performance. Other benefits to employees included medical insurance, retirement scheme, training programmes and educational subsidies. Total employees' costs for the year amounted to approximately HK\$82.5 million, which was commensurate with that recorded in the previous year.

PROSPECTS

In October 2012, the Hong Kong SAR Government announced an increase in the Special Stamp Duty and introduced a new Buyer's Stamp Duty of 15% on the sale price of the property. In February 2013, the Government further proposed that stamp duty payable be increased by generally doubling the rates across the board (with certain exemptions). The Government also announced re-adopting regular land auctions and abolished the land application system. On 13 March 2013, HSBC and Standard Chartered Bank announced an increase of 0.25% of mortgage lending rates for new flat buyers to offset the increase in the cost of capital funding. All these measures are expected to have a cooling effect on the overheated local property market and to reduce the interest of external property investors, and lead to a reduction in the transactions of properties. The overall effect is likely to be the suppression of the escalation of property prices in the medium to long term. In the short run, as the supply of new residential properties is still tight and there is solid demand for flats, the residential property price is expected to be steady with a slight bias towards softening in the near term.

The sale of flats in the Green Code, Fanling project is satisfactory. The Group will continue to sell the residential flats in different lots and strive to procure the occupation permit by the end of 2013. If the occupation permit can be obtained by the end of this year, the profits from the sale of the project will be booked in the Group's accounts for the year 2013.

The Chief Executive proposed in the 2013 Policy Address to increase land supply so as to provide a total of 128,700 flats in the next five years. The existing abundant cash reserves of the Group plus the substantial cash inflow from the sale of Green Code will be of advantage to the Group in the opportunity to acquire quality land at Government public auction or tender in future.

CORPORATE GOVERNANCE

During the year ended 31 December 2012, the Company has complied with all the Code Provisions of the Code on Corporate Governance Practices, which was revised and renamed as the Corporate Governance Code on 1 April 2012, contained in Appendix 14 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the period from 1 January 2012 to 31 March 2012 and of the Corporate Governance Code for the period from 1 April 2012 to 31 December 2012, other than Code Provision A.6.7 of the Corporate Governance Code.

In respect of Code Provision A.6.7 of the Corporate Governance Code, all non-executive directors (including independent non-executive directors) attended the Annual General Meeting of the Company held on 18 May 2012 except two non-executive directors and one independent non-executive director due to personal or business engagement.

AUDIT COMMITTEE

The Audit Committee has reviewed the financial results of the Group for the year ended 31 December 2012 and discussed with internal audit department and independent external auditor in respect of matters on auditing, internal control and financial reports of the Group.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

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 the code for dealing in securities of the Company by the directors. Having made specific enquiries, the Company confirmed that all directors had complied with the required standards set out in the Model Code throughout the year ended 31 December 2012.

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

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

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the designated website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.hkf.com. The annual report of the Company for the year ended 31 December 2012 containing all the information required by the Listing Rules will be despatched to the shareholders and available on the same websites in due course.

On behalf of the Board
Lam Ko Yin, Colin
Chairman

On behalf of the Board
Li Ning
Director

Hong Kong, 22 March 2013

As at the date of this announcement, the executive directors of the Company are Mr. Lam Ko Yin, Colin (Chairman) and Mr. Li Ning, the non-executive directors are Mr. Au Siu Kee, Alexander, Mr. Lau Yum Chuen, Eddie, Dr. Lee Shau Kee and Mr. Wong Man Kong, Peter and the independent non-executive directors are Mr. Ho Hau Chong, Norman, Mr. Leung Hay Man, Ms. Wong Yu Pok, Marina and Mr. Wu King Cheong.