WAI KEE HOLDINGS LIMITED

(Incorporated in Bermuda with limited liability)

(Stock Code: 610)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31ST DECEMBER, 2013

Financial Performance Highlights

Revenue	**HK$2,546 million**
Profit attributable to owners of the Company	**HK$440 million**
Basic earnings per share	**HK55.50 cents**
Final dividend per share	**HK10.2 cents**
Equity attributable to owners of the Company per share	**HK$6.56**

RESULTS

The board of directors (the "Board") of Wai Kee Holdings Limited (the "Company") announces the audited results of the Company and its subsidiaries (the "Group") for the year ended 31st December, 2013 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31ST DECEMBER, 2013

	Notes	**2013**	2012 (Restated)
		HK'000	*HK$'000*
Revenue	*2*	**2,545,909**	2,417,992
Cost of sales		**(2,305,488)**	(2,223,867)
Gross profit		**240,421**	194,125
Other income	*4*	**44,211**	34,301
Investment income, gains and losses	*5*	**9,107**	20,864
Selling and distribution costs		**(55,652)**	(56,057)
Administrative expenses		**(210,798)**	(181,923)
Other expenses		**-**	(14,838)
Finance costs	*6*	**(6,836)**	(6,243)
Share of results of associates		**387,825**	310,002
Other gains and losses	*7*	**42,236**	36,360
Profit before tax	*8*	**450,514**	336,591
Income tax expense	*9*	**(1,495)**	(261)
Profit for the year		**449,019**	336,330
Profit for the year attributable to:			
Owners of the Company		**440,205**	326,692
Non-controlling interests		**8,814**	9,638
		449,019	336,330
		HK cents	*HK cents*
Earnings per share	*11*		
- Basic		**55.50**	41.19
- Diluted		**55.39**	41.19

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31ST DECEMBER, 2013

	2013	2012
	HK$'000	*HK$'000*
Profit for the year	**449,019**	336,330
Other comprehensive income (expense)		
Items that may be reclassified subsequently to profit or loss:		
Exchange difference arising on translation of foreign operations	**2,542**	886
Reclassification adjustment for translation reserve upon liquidation of an associate	**-**	(3,138)
Share of translation reserve of associates	**108,801**	76,765
Other comprehensive income for the year	**111,343**	74,513
Total comprehensive income for the year	**560,362**	410,843
Total comprehensive income for the year attributable to:		
Owners of the Company	**550,249**	400,769
Non-controlling interests	**10,113**	10,074
	560,362	410,843

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31ST DECEMBER, 2013

	Notes	31st December, 2013 HK$'000	31st December, 2012 (Restated) HK$'000	1st January, 2012 (Restated) HK$'000
Non-current assets				
Property, plant and equipment		**124,541**	135,104	146,734
Intangible assets		**71,110**	65,095	65,996
Goodwill		**29,838**	29,838	29,838
Interests in associates		**4,991,653**	4,497,169	4,245,484
Interests in joint ventures		**-**	-	12,312
Available-for-sale investments		**-**	-	-
Other financial asset		**52,390**	52,295	53,400
Loan and other receivables		**8,733**	12,830	16,767
		5,278,265	4,792,331	4,570,531
Current assets				
Inventories		**12,458**	11,223	5,227
Amounts due from customers for contract work		**325,487**	253,679	164,779
Debtors, deposits and prepayments	*12*	**936,275**	749,287	539,981
Amounts due from associates		**11,384**	10,427	7,218
Amount due from a joint venture		**321**	321	321
Amounts due from other partners of joint operations		**66,601**	27,922	30,108
Tax recoverable		**1,482**	570	388
Held-for-trading investments		**61,717**	61,416	45,443
Pledged bank deposits		**30**	10	21
Bank balances and cash		**341,129**	174,945	209,880
		1,756,884	1,289,800	1,003,366
Current liabilities				
Amounts due to customers for contract work		**643,952**	291,988	242,529
Creditors and accrued charges	*13*	**692,938**	612,189	523,797
Amount due to an associate		**12,159**	11,052	9,947
Amounts due to joint ventures		**1,142**	1,142	1,825
Amounts due to other partners of joint operations		**69,849**	27,377	12,876
Amounts due to non-controlling shareholders		**3,359**	3,359	3,357
Tax liabilities		**1,073**	2,039	2,767
Other borrowings		**-**	-	25
Bank loans		**224,407**	218,996	183,033
		1,648,879	1,168,142	980,156
Net current assets		**108,005**	121,658	23,210
Total assets less current liabilities		**5,386,270**	4,913,989	4,593,741

	31st December, 2013 HK$'000	2012 (Restated) HK$'000	1st January, 2012 (Restated) HK$'000
Non-current liabilities			
Deferred tax liabilities	**5,750**	5,750	5,750
Obligations in excess of interests in associates	**17,432**	17,795	18,235
Amount due to an associate	**6,041**	6,713	7,172
Amount due to a joint venture	**-**	-	4,067
Other borrowings	**-**	-	5
Bank loans	**15,000**	-	13,750
	44,223	30,258	48,979
Net assets	**5,342,047**	4,883,731	4,544,762
Capital and reserves			
Share capital	**79,312**	79,312	79,312
Share premium and reserves	**5,125,333**	4,669,208	4,340,613
Equity attributable to owners of the Company	**5,204,645**	4,748,520	4,419,925
Non-controlling interests	**137,402**	135,211	124,837
Total equity	**5,342,047**	4,883,731	4,544,762

Notes:

1. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"):

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009-2011 Cycle, except for the amendments to HKAS 1
Amendments to HKFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HK(IFRIC)-Int 20	Stripping Costs in the Production Phase of a Surface Mine

Except as described below, the application of the above new and revised HKFRSs in the current year has had no material effect on the amounts reported and/or disclosures set out in the Group's consolidated financial statements.

HKFRS 10 "Consolidated Financial Statements"

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and Separate Financial Statements" that deal with consolidated financial statements and HK(SIC)-Int 12 "Consolidation - Special Purpose Entities". HKFRS 10 changes the definition of control such that an investor controls an investee when it 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. To meet the definition of control in HKFRS 10, all of the three criteria, including (a) an investor has power over an investee; (b) the investor has exposure, or rights, to variable returns from its involvement with the investee; and (c) the investor has the ability to use its power over the investee to affect the amount of the investor's returns, must be met. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Much more guidance has been included in HKFRS 10 to illustrate when an investor has control over an investee. In particular, guidance in HKFRS 10 that deals with whether or not an investor that owns less than 50% of the voting rights in an investee has control over the investee is relevant to the Group. In assessing whether or not an investor with less than a majority of the voting rights in an investee has a sufficiently dominant voting interest to meet the power criterion, HKFRS 10 requires the investor to take into account all relevant facts and circumstances, particularly, the size of the investor's holding of voting rights relative to the size and dispersion of holdings of the other vote holders.

As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities at 1st January, 2013.

HKFRS 11 "Joint Arrangements"

HKFRS 11 replaces HKAS 31 "Interests in Joint Ventures", and the guidance contained in a related interpretation, HK(SIC)-Int 13 "Jointly Controlled Entities - Non-Monetary Contributions by Venturers", has been incorporated in HKAS 28 (as revised in 2011). HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified and accounted for. Under HKFRS 11, there are only two types of joint arrangements - joint operations and joint ventures. The classification of joint arrangements under HKFRS 11 is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, the legal form of the arrangements, the contractual terms agreed by the parties to the arrangement, and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement. Previously, HKAS 31 had three types of joint arrangements - jointly controlled entities, jointly controlled operations and jointly controlled assets. The classification of joint arrangements under HKAS 31 was primarily determined based on the legal form of the arrangement (e.g. a joint arrangement that was established through a separate entity was classified as a jointly controlled entity).

The initial and subsequent accounting of joint ventures and joint operations are different. Interests in joint ventures are accounted for using the equity method (proportionate consolidation is no longer allowed). Interests in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets held jointly), its liabilities (including its share of any liabilities incurred jointly), its revenues (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable standards.

The directors of the Company reviewed and assessed the classification of the Group's joint arrangements in accordance with the requirements of HKFRS 11. The directors concluded that certain of the Group's joint arrangements, which were previously classified as jointly controlled entities under HKAS 31 and were accounted for using the equity method, should be classified as joint operations under HKFRS 11 taking into account the relevant joint arrangement agreements that specify that the parties to the joint arrangements have rights to the assets and obligations to the liabilities relating to the joint arrangements and accounted for the assets, liabilities, revenues and expenses relating to its interests in the joint operations.

The change in accounting of the Group's joint arrangements has been applied in accordance with the relevant transitional provisions set out in HKFRS 11. The initial investments at 1st January, 2012 for the purposes of applying the joint operations are measured as the aggregate of the carrying amounts of the assets and liabilities that the Group had previously netting off. Also, the directors of the Company performed an impairment assessment on the segregate assets at 1st January, 2012 and concluded that no impairment loss is required. To reflect the change in accounting of the Group's joint arrangements, comparative amounts for 2012 have been restated and a third statement of financial position at 1st January, 2012 has been presented without the related notes.

Summary of the effects of the above changes in accounting policies

The effects of changes in accounting policies described above on the Group's consolidated financial statements for the prior years are as follows:

Impact on profit for the year ended 31st December, 2012 of the application of HKFRS 11

	HK$'000
Increase in revenue	459,923
Increase in cost of sales	(442,553)
Decrease in other income	(8,525)
Increase in finance costs	(774)
Decrease in share of results of joint ventures	(8,071)
Change in profit for the year	-

Impact on assets, liabilities and equity at 1st January, 2012 of the application of HKFRS 11

	At 1st January, 2012 (Originally stated) *HK$'000*	Adjustments *HK$'000*	At 1st January, 2012 (Restated) *HK$'000*
Property, plant and equipment	130,882	15,852	146,734
Interests in joint ventures	38,815	(26,503)	12,312
Amounts due from customers for contract work	98,761	66,018	164,779
Debtors, deposits and prepayments	401,721	138,260	539,981
Amounts due from joint ventures	41,741	(41,420)	321
Amounts due from other partners of joint operations	-	30,108	30,108
Tax recoverable	-	388	388
Bank balances and cash	124,450	85,430	209,880
Amounts due to customers for contract work	(65,549)	(176,980)	(242,529)
Creditors and accrued charges	(440,927)	(82,870)	(523,797)
Amounts due to joint ventures	(6,418)	4,593	(1,825)
Amounts due to other partners of joint operations	-	(12,876)	(12,876)
Total effect on net assets		-	
Share premium and reserves	4,340,613	-	4,340,613
Non-controlling interests	124,837	-	124,837
Total effect on equity		-	

Impact on assets, liabilities and equity at 31st December, 2012 of the application of HKFRS 11

	At 31st December, 2012 (Originally stated) *HK$'000*	Adjustments *HK$'000*	At 31st December, 2012 (Restated) *HK$'000*
Property, plant and equipment	113,430	21,674	135,104
Interests in joint ventures	26,156	(26,156)	-
Amounts due from customers for contract work	138,152	115,527	253,679
Debtors, deposits and prepayments	652,182	97,105	749,287
Amounts due from joint ventures	82,573	(82,252)	321
Amounts due from other partners of joint operations	-	27,922	27,922
Tax recoverable	-	570	570
Bank balances and cash	75,185	99,760	174,945
Amounts due to customers for contract work	(125,957)	(166,031)	(291,988)
Creditors and accrued charges	(580,414)	(31,775)	(612,189)
Amounts due to joint ventures	(12,465)	11,323	(1,142)
Amounts due to other partners of joint operations	-	(27,377)	(27,377)
Bank loans	(178,706)	(40,290)	(218,996)
Total effect on net assets		-	
Share premium and reserves	4,669,208	-	4,669,208
Non-controlling interests	135,211	-	135,211
Total effect on equity		-	

Impact on cash flows for the year ended 31st December, 2012 of the application of HKFRS 11

	HK$'000
Increase in net cash outflow from operating activities	(52,188)
Increase in net cash inflow from investing activities	13,184
Decrease in net cash outflow from financing activities	53,334
Net increase in cash and cash equivalents	14,330

The above changes in accounting policies do not have any impact on the Group's basic and diluted earnings per share for the prior year.

HKFRS 12 "Disclosure of Interests in Other Entities"

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements.

HKFRS 13 "Fair Value Measurement"

The Group has applied HKFRS 13 in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements, and replaces those requirements previously included in various HKFRSs.

The scope of HKFRS 13 is broad, and applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, subject to a few exceptions. HKFRS 13 contains a new definition for "fair value" and defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

HKFRS 13 requires prospective application from 1st January, 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in HKFRS 13 in comparative information provided for periods before the initial application of HKFRS 13. In accordance with these transitional provisions, the Group has not made any new disclosures required by HKFRS 13 for the 2012 comparative period. Other than the additional disclosures, the application of HKFRS 13 has had no material effect on the amounts recognised in the consolidated financial statements.

Amendments to HKAS 1 "Presentation of Items of Other Comprehensive Income"

The amendments to HKAS 1 introduce new terminology for income statement and statement of comprehensive income. Under the amendments to HKAS 1, an "income statement" is renamed as a "statement of profit or loss" and a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements.

However, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that will be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis while the amendments do not change the existing option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle[3]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle[2]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[5]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[1]
HKFRS 9	Financial Instruments[5]
HKFRS 14	Regulatory Deferral Accounts[4]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
HK(IFRIC)-Int 21	Levies[1]

[1] Effective for annual periods beginning on or after 1st January, 2014.
[2] Effective for annual periods beginning on or after 1st July, 2014.
[3] Effective for annual periods beginning on or after 1st July, 2014, with limited exceptions.
[4] Effective for annual periods beginning on or after 1st January, 2016.
[5] Available for application - the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.

The directors of the Company are in the process of ascertaining the financial effect of the application of these new and revised HKFRSs on the Group's consolidated financial statements.

2. Revenue

	2013	2012 (Restated)
	HK$'000	*HK$'000*
Revenue analysed by revenue from:		
Construction	**2,193,098**	2,142,042
Construction materials	**335,843**	256,476
Quarrying	**16,968**	19,474
	2,545,909	2,417,992

3. Segment Information

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided. This is also the basis upon which the Group is organised. The Group's reportable and operating segments under HKFRS 8 are summarised as follows:

Construction
- construction of civil engineering and building projects

Construction materials
- production and sale of concrete

Quarrying
- production and sale of quarry products

Toll road and property development
- strategic investment in Road King Infrastructure Limited ("Road King"), an associate of the Group

North American ginseng
- strategic investment in Chai-Na-Ta Corp. ("CNT"), an associate of the Group, which was dissolved during the year ended 31st December, 2012

Segment revenue and results

The following is an analysis of the segment revenue and profit (loss) for each reportable and operating segment:

Year ended 31st December, 2013

	Segment revenue			
	Gross	**Inter-segment elimination**	**External**	**Segment profit (loss)**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***
Construction	**2,193,098**	**-**	**2,193,098**	**12,034**
Construction materials	**361,771**	**(25,928)**	**335,843**	**16,943**
Quarrying	**79,177**	**(62,209)**	**16,968**	**(8,290)**
Toll road and property development	**-**	**-**	**-**	**387,488**
Total	**2,634,046**	**(88,137)**	**2,545,909**	**408,175**

Year ended 31st December, 2012

	Segment revenue			
	Gross (Restated)	Inter-segment elimination (Restated)	External (Restated)	Segment profit (loss)
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Construction	2,142,042	-	2,142,042	10,577
Construction materials	308,714	(52,238)	256,476	7,368
Quarrying	70,278	(50,804)	19,474	(8,953)
Toll road and property development	-	-	-	312,432
North American ginseng				
Share of results of CNT	-	-	-	(2,837)
Gain on liquidation of CNT	-	-	-	18,489
Total	2,521,034	(103,042)	2,417,992	337,076

Segment profit (loss) represents profit (loss) after tax and non-controlling interests for each reportable and operating segment and includes other income, investment income, gains and losses, share of results of associates and other gains and losses, but excluding corporate income and expenses (including staff costs, other administrative expenses, finance costs and income tax expense), share of losses of associates, discount on acquisition of additional interest in an associate, loss on deemed disposal of partial interest in an associate, gain on deemed acquisition of additional interest in an associate and gain on disposal of property, plant and equipment which are not attributable to any of the reportable and operating segments and are classified as unallocated items. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Reconciliation of total segment profit to profit attributable to owners of the Company

	2013	2012
	HK$'000	*HK$'000*
Total segment profit	**408,175**	337,076
Unallocated items		
Other income	**9,514**	9,359
Investment income, gains and losses	**2,065**	6,163
Administrative expenses	**(19,126)**	(22,695)
Finance costs	**(2,360)**	(3,196)
Share of losses of associates	**(2)**	(33)
Discount on acquisition of additional interest in an associate	**18,853**	-
Loss on deemed disposal of partial interest in an associate	**(2,160)**	-
Gain on deemed acquisition of additional interest in an associate	**25,246**	-
Gain on disposal of property, plant and equipment	**-**	19
Income tax expense	**-**	(1)
Profit attributable to owners of the Company	**440,205**	326,692

Segment assets and liabilities

As the Group's chief operating decision maker reviews the Group's assets and liabilities on a consolidated basis, no assets or liabilities are allocated to the reportable and operating segments. Therefore, no analysis of segment assets and liabilities is presented.

Other segment information

Amounts included in the measure of segment profit (loss):

Year ended 31st December, 2013

	Construction	**Construction materials**	**Quarrying**	**Toll road and property development**	**Segment total**	**Adjustments**	**Intra-group elimination**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000*** *(note)*	***HK$'000***	***HK$'000***
Depreciation of property, plant and equipment	**(15,224)**	**(21,472)**	**(3,382)**	**-**	**(40,078)**	**(569)**	**-**	**(40,647)**
Impairment loss on property, plant and equipment	**-**	**-**	**(5,500)**	**-**	**(5,500)**	**-**	**-**	**(5,500)**
Gain (loss) on disposal of property, plant and equipment, net	**91**	**(71)**	**277**	**-**	**297**	**-**	**-**	**297**
Interest income	**1,672**	**-**	**665**	**-**	**2,337**	**5,802**	**(5,614)**	**2,525**
Finance costs	**(4,324)**	**(5,766)**	**-**	**-**	**(10,090)**	**(2,360)**	**5,614**	**(6,836)**
Share of results of associates	**643**	**-**	**(304)**	**387,488**	**387,827**	**(2)**	**-**	**387,825**
Income tax expense	**(1,495)**	**-**	**-**	**-**	**(1,495)**	**-**	**-**	**(1,495)**

Year ended 31st December, 2012

	Construction (Restated)	Construction materials	Quarrying	Toll road and property development	North American ginseng	Segment total (Restated)	Adjustments	Intra-group elimination	Total (Restated)
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000* *(note)*	*HK$'000*	*HK$'000*
Depreciation of property, plant and equipment	(10,059)	(20,770)	(3,267)	-	-	(34,096)	(555)	-	(34,651)
Gain on disposal of property, plant and equipment, net	12,929	-	843	-	-	13,772	19	-	13,791
Interest income	1,657	-	809	-	-	2,466	5,859	(5,859)	2,466
Finance costs	(2,751)	(6,155)	-	-	-	(8,906)	(3,196)	5,859	(6,243)
Share of results of associates	440	-	-	312,432	(2,837)	310,035	(33)	-	310,002
Income tax (expense) credit	(1,822)	-	1,562	-	-	(260)	(1)	-	(261)

Note: Adjustments represent unallocated amounts related to head office and other minor operations.

Geographical information

The Group's operations are located in the Hong Kong Special Administrative Region ("Hong Kong") (country of domicile), other regions in the People's Republic of China (the "PRC") and Middle East.

The Group's revenue from external customers by geographical location of the customers and information about its non-current assets by geographical location of the assets are detailed below:

	Revenue from external customers		**Non-current assets** *(note)*	
	2013	2012 (Restated)	**2013**	2012 (Restated)
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**2,518,010**	2,394,769	**5,094,059**	4,678,409
The PRC	**27,899**	18,939	**44,419**	46,783
Middle East	**-**	4,284	**1,074**	2,014
Others	**-**	-	**77,590**	-
	2,545,909	2,417,992	**5,217,142**	4,727,206

Note: Non-current assets include all non-current assets except available-for-sale investments, other financial asset and loan and other receivables.

Information about customers

Two (2012: two (restated)) customers of the construction segment located in Hong Kong individually contributing over 10% of the Group's revenue.

	2013	2012 (Restated)
	HK$'000	*HK$'000*
Customer A	**1,062,937**	1,051,608
Customer B	- [1]	247,096
Customer C	**711,608**	- [1]
	1,774,545	1,298,704

[1] The corresponding revenue did not contribute over 10% of the Group's revenue.

4. Other Income

	2013	2012
	HK$'000	*HK$'000*
Other income includes:		
Interest on bank deposits	**276**	242
Interest on amount due from an associate	**187**	-
Interest on other financial asset	**1,430**	1,439
Imputed interest on loan and other receivables	**632**	785
Insurance claim on loss of plant and machinery	**2,169**	-
Operation fee income	**16,919**	22,459
Rental income from land and buildings	**2,451**	206
Rental income from plant and machinery	**3,000**	3,000
Service income from associates	**60**	174
Management fee income from a related company	**2,370**	-

5. Investment Income, Gains and Losses

	2013	2012
	HK$'000	*HK$'000*
Gain on change in fair value and disposal of held-for-trading investments, net	**4,450**	16,371
Dividend income from held-for-trading investments	**1,698**	1,557
Interest income from held-for-trading investments	**2,959**	2,936
	9,107	20,864

6. Finance Costs

	2013	2012
		(Restated)
	HK$'000	*HK$'000*
Interest on bank and other borrowings wholly repayable within five years	**6,401**	5,847
Imputed interest on non-current interest-free amount due to an associate	**435**	396
	6,836	6,243

7. Other Gains and Losses

	2013	2012
	HK$'000	*HK$'000*
Discount on acquisition of additional interest in an associate	**18,853**	-
Loss on deemed disposal of partial interest in an associate	**(2,160)**	-
Gain on deemed acquisition of additional interest in an associate	**25,246**	-
Gain on disposal of property, plant and equipment, net	**297**	13,791
Gain on liquidation of an associate	**-**	18,489
Gain on disposal of a subsidiary	**-**	4,080
	42,236	36,360

8. Profit Before Tax

Profit before tax has been arrived at after charging (crediting):

	2013	2012 (Restated)
	HK$'000	*HK$'000*
Auditor's remuneration	**2,572**	2,421
Amortisation of intangible assets	**1,342**	1,264
Bad debts written off	**-**	57
Depreciation of property, plant and equipment:		
Owned assets	**57,347**	44,192
Assets held under finance lease arrangement	**-**	7
	57,347	44,199
Less: Amount attributable to construction contracts	**(16,700)**	(9,548)
	40,647	34,651
Expenses incurred in towing certain vessels from Middle East to Hong Kong (classified as other expenses)	**-**	14,838
Exchange loss, net	**330**	177
Hire charges for plant and machinery	**93,092**	58,010
Less: Amount attributable to construction contracts	**(93,092)**	(58,010)
	-	-
Impairment loss on property, plant and equipment	**5,500**	-
Operating lease rentals in respect of land and buildings	**48,060**	45,820
Less: Amount attributable to construction contracts	**(2,178)**	(3,943)
	45,882	41,877
Share of income tax expense of associates (included in share of results of associates)	**578,715**	559,441
Staff costs	**509,193**	329,850
Less: Amount attributable to construction contracts	**(364,829)**	(196,515)
	144,364	133,335

9. Income Tax Expense

	2013	2012
	HK$'000	*HK$'000*
Current tax		
The PRC	**1,484**	900
(Over)underprovision in prior years		
Hong Kong	**(6)**	923
The PRC	**17**	(1,562)
	11	(639)
	1,495	261

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years. No provision for Hong Kong Profits Tax has been made for both years since the estimated assessable profits has been wholly offset by tax losses brought forward from prior years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate for the PRC subsidiaries is 25% for both years.

10. Dividends

Dividends paid and recognised as distributions during the year:

	2013	2012
	HK$'000	*HK$'000*
2012 final dividend - HK7.7 cents per share (2012: 2011 final dividend - HK5.6 cents per share)	**61,070**	44,415
2013 interim dividend - HK4.3 cents per share (2012: 2012 interim dividend - HK3.5 cents per share)	**34,105**	27,759
	95,175	72,174

A final dividend for the year ended 31st December, 2013 of HK10.2 cents (2012: HK7.7 cents) per ordinary share amounting to HK$80,899,000 (2012: HK$61,070,000) has been proposed by the Board and is subject to approval by the shareholders in the forthcoming annual general meeting. This final dividend has not been included as a liability in the consolidated financial statements.

11. Earnings Per Share

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

	2013	2012
	HK$'000	*HK$'000*
Earnings for the purpose of basic earnings per share (Profit for the year attributable to owners of the Company)	**440,205**	326,692
Effect of dilutive potential ordinary shares:		
Decrease in share of profit of an associate arising from assumed exercise of share options issued by that associate *(note)*	**(854)**	-
Earnings for the purpose of diluted earnings per share	**439,351**	326,692

	2013	2012
Number of ordinary shares for the purposes of basic and diluted earnings per share	**793,124,034**	793,124,034

Note: The outstanding share options of Road King during the year ended 31st December, 2012 were anti-dilutive because the exercise prices of the share options were higher than the average market price of the shares of Road King during that year.

12. Debtors, Deposits and Prepayments

	2013	2012
		(Restated)
	HK$'000	*HK$'000*
Trade debtors	**590,134**	475,016
Less: Allowance for doubtful debts	**(623)**	(623)
	589,511	474,393
Retention receivables	**195,401**	141,420
Other debtors	**66,153**	33,015
Deposits and prepayments	**81,113**	96,521
Loan and other receivables	**4,097**	3,938
	936,275	749,287

The Group allows an average credit period of 60 days to its trade customers. For retention receivables in respect of construction contracts, the due dates are usually one year after the completion of the construction works. The following is an aged analysis of trade receivables (net of allowance for doubtful debts) presented based on the invoice date:

	2013	2012 (Restated)
	HK$'000	*HK$'000*
Trade debtors		
0 to 60 days	**580,599**	468,595
61 to 90 days	**8,404**	5,655
Over 90 days	**508**	143
	589,511	474,393
Retention receivables		
Due within one year	**109,220**	58,569
Due after one year	**86,181**	82,851
	195,401	141,420

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines credit limit by customer. Limits and scores attributed to customers are reviewed periodically.

At 31st December, 2013, the Group's trade debtors and retention receivables included amounts of HK$1,495,000 (2012: HK$2,000,000) and HK$67,000 (2012: nil) respectively due from a related company which is an indirect wholly owned subsidiary of a substantial shareholder of the Company.

13. Creditors and Accrued Charges

	2013	2012 (Restated)
	HK$'000	*HK$'000*
Trade creditors (aged analysis based on the invoice date):		
0 to 60 days	**128,615**	111,110
61 to 90 days	**21,556**	5,950
Over 90 days	**13,806**	6,964
	163,977	124,024
Retention payables	**133,432**	124,134
Accrued project costs	**317,085**	295,449
Other creditors and accrued charges	**78,444**	68,582
	692,938	612,189
Retention payables		
Due within one year	**70,148**	46,546
Due after one year	**63,284**	77,588
	133,432	124,134

The Group has financial risk management policies in place to ensure that all payables are within the credit timeframe. For retention payables in respect of construction contracts, the due dates are usually one year after the completion of the construction works.

DIVIDENDS

The Board recommends the payment of a final dividend of HK10.2 cents (2012: HK7.7 cents) per ordinary share payable to shareholders whose names appear in the register of members of the Company on Monday, 19th May, 2014. This dividend together with the interim dividend of HK4.3 cents (2012: HK3.5 cents) per ordinary share paid during the year represent total dividend distributions of HK14.5 cents (2012: HK11.2 cents) per ordinary share for the year ended 31st December, 2013.

Subject to the approval of shareholders at the forthcoming Annual General Meeting, it is expected that the payment of final dividend will be made on or before Tuesday, 10th June, 2014.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Annual General Meeting to be held on Friday, 9th May, 2014, the register of members of the Company will be closed from Wednesday, 7th May, 2014 to Friday, 9th May, 2014, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong (to be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from Monday, 31st March, 2014) not later than 4:00 p.m. on Monday, 5th May, 2014.

The proposed final dividend is subject to the approval of the shareholders at the Annual General Meeting. The record date for the proposed final dividend is on Monday, 19th May, 2014. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Friday, 16th May, 2014 to Monday, 19th May, 2014, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong (to be relocated to Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from Monday, 31st March, 2014) not later than 4:00 p.m. on Thursday, 15th May, 2014.

BUSINESS REVIEW

For the year ended 31st December, 2013, the Group's revenue was HK$2,546 million (2012: HK$2,418 million (restated)), generating an audited consolidated profit attributable to owners of the Company of HK$440 million (2012: HK$327 million), an increase of 35% as compared with that of 2012.

Toll Road and Property Development

For the year ended 31st December, 2013, the Group shared a profit of HK$387 million (2012: HK$312 million) from Road King Infrastructure Limited ("Road King"), an associate of the Group. As of the date of this announcement, the Group holds 38.90% interest in Road King.

During the year ended 31st December, 2013, Road King issued 648,000 ordinary shares upon exercise of share options granted to the employees of Road King under the share option scheme of Road King. As the shares were issued at an exercise price lower than the net assets value per share of Road King, the Group recorded an aggregate loss of HK$2 million on deemed disposal of partial interest in Road King. On the other hand, the Group purchased 2,155,000 ordinary shares in Road King at an aggregate consideration below the additional net assets value shared by the Group and hence recognised an aggregate discount of HK$19 million on acquisition of additional interest in Road King. Furthermore, Road King repurchased and cancelled 7,404,000 ordinary shares, resulting in an aggregate gain of HK$25 million recorded by the Group on deemed acquisition of additional interest in Road King. As a result, the net effect of these transactions increased the Group's interest in Road King by 0.64%.

For the year ended 31st December, 2013, Road King recorded an audited profit attributable to its owners of HK$1,002 million (2012: HK$818 million), an increase of 22% as compared with that of 2012.

Road King's share of operating profits of toll road joint ventures declined from HK$259 million in 2012 to HK$180 million in 2013, mainly due to the commencement of interest payment by Longcheng Expressway on a full-year basis, coupled with a decrease in the traffic volume of Tangjin Expressway due to the impact of a downturn in local industries in Hebei Province.

In 2013, the total traffic volume reached 68 million vehicles and toll revenue was RMB1,895 million. Toll revenue from expressway projects further increased from 87% of the entire road portfolio in 2012 to 94% in 2013. In line with its strategy to withdraw from Class I/II highway projects and expand the expressway portfolio, Road King disposed of Hehuai Highway and Hefei section of Heye Highway in Anhui Province, and cooperated with the local government to discontinue the Xiushui toll station of Yulin Highway in Guangxi Zhuang Autonomous Region in exchange for government compensation. In January 2014, Road King received the notice of being successfully tendered for 49% equity interest in Machao Expressway in Anhui Province which had just commenced operation recently. Approvals for relevant documentations of the project are being obtained and the whole process is expected to be completed within this year.

The PRC property market continued to demonstrate a strong performance in 2013 despite the impact of government policies. By implementing the strategy of deeper exploitation and balancing high turnover and profitability, Road King achieved remarkable results in operation and development. Contracted sales in 2013 increased 28% as compared with those of 2012, while the average selling price was approximately RMB11,060 per sqm, representing a rise of 18% over that of 2012.

Road King has utilised resources effectively and enhanced its management continuously, driving up its sales. In the meantime, the increase in operating expenses remained at a relatively low level, further contributing to Road King's profitability. Revenue which mainly derived from the delivery of properties was HK$11,456 million in 2013, representing a growth of 23% from the previous year. The total area delivered in 2013 was 913,000 sqm, and the average price was approximately RMB10,430 per sqm, representing a growth of 17% as compared with that in 2012. Given the increase in the delivery of properties and strict control over expenses, the segment profit of the property business increased to HK$849 million.

At 31st December, 2013, Road King's land reserve had total saleable area of over 5,600,000 sqm.

For the toll road business, Road King believes that it can provide steady cash flows and returns over the long term. While continuing to dispose of the remaining highway projects, Road King will seek appropriate expressway projects by leveraging its reputation in the industry and management experience obtained over the past two decades, with a view to expanding its expressway portfolio further and creating solid returns for shareholders continuously.

For the property business, Road King believes that it is a livelihood industry in the PRC. It still has substantial growth potential on the back of China's economic development, and is worth for Road King to continue developing and expanding in this industry. After years of implementation and efforts, Road King will continue to adopt the strategy that balances deeper exploitation and profitability. On one hand, Road King is going to enhance the strategic cooperation with its partners and on the other hand, it will further refine and implement the products categorisation and standardisation, and optimise product quality and cost structure. In doing so, Road King aims to expand its size, establish long-standing brand recognition and increase return on operation.

Construction

For the year ended 31st December, 2013, the Group shared a profit of HK$12 million (2012: HK$11 million) from Build King Holdings Limited ("Build King"), the construction arm of the Group. As of the date of this announcement, the Group holds 51.17% interest in Build King.

For the year ended 31st December, 2013, Build King recorded revenue of HK$2,193 million (2012: HK$2,142 million (restated)) and an audited profit attributable to its owners of HK$21 million (2012: HK$21 million), same as that of 2012. This comprises profit of HK$14 million (2012: HK$6 million) from construction operation and profit of HK$7 million (2012: HK$15 million) from investment in listed securities.

As reported in Build King Interim Report 2013, the profit for the first six months was worse than that for the corresponding period of 2012 because of cost overrun on two government projects. However, in the second half of 2013, a significant portion of cost overrun was recovered.

During the year, Build King was awarded six new projects with total value exceeding HK$3 billion. Since the year end, one major building project of about HK$900 million has been secured, bring the total value of the outstanding works to HK$8 billion at the date of this announcement.

In Hong Kong, during the year, as anticipated, Build King has been extremely busy with tenders for mega infrastructure projects. Build King was successful in winning work in line with its expectations. The first successful tender in 2013 was a joint venture project of contract sum of HK$3.3 billion, in which Build King has 49% interest.

For the third successive year, Build King has secured contracts worth more than HK$3 billion. Whilst Build King is still actively bidding new projects, it is continuing to be very selective and targeting only those projects that it believes the cashflow will be healthy and where it thinks it has edges.

The difficulties encountered as reported in Build King Interim Report 2013 were finally overcome and the final account agreed satisfactorily with the loss provision written back. Major projects in progress were also moving along satisfactorily.

The growth of the building division is also encouraging. The outstanding value of works for this division has been increased from HK$700 million last year to HK$1.9 billion at present. The profit contribution to Build King in 2013 was more than double that of 2012.

In the PRC, the sewage treatment plant in Wuxi City continued to provide a steady profit in line with budget during the year. The expansion of this plant was completed in the third quarter of 2013 and now is operated. This has increased the design capacity from 35,000 to 50,000 tonnes per day. Hence, Build King is optimistic that with steady growth of local population, the future revenue and profit will be satisfactory.

Leveraged on the experience of this project, the prospects of further investment in environmental projects in China is promising and Build King is actively seeking opportunities in this sector.

Construction Materials

For the year ended 31st December, 2013, the construction materials division recorded revenue of HK$362 million (2012: HK$309 million) and a net profit of HK$17 million (2012: HK$7 million).

The pleasing improvement in the results as compared with that of last year was due to the previous secured orders now entering the high demand stage. It is anticipated that the orders will be further increased in 2014 to cope with the construction progress of various projects. The division continues to focus on optimising and coordinating customer orders to ensure maximum output whilst maintaining good service and quality of product.

To adopt prudent cost control measures is always the primary task of the management with intention to alleviate the challenge of increase in raw materials costs and severe competition from the existing operators.

With an expected increase in production volume in the coming months, it is anticipated that the division will yield improved performance in 2014. Also, we will continue to look for opportunities to sustain long term growth of the division.

Quarrying

For the year ended 31st December, 2013, the quarrying division recorded revenue of HK$79 million (2012: HK$70 million) and a net loss of HK$8 million (2012: HK$9 million).

In 2013, the quantity of aggregates sold was 800,000 tonnes, mainly as a result of increase in production volume of the Group's Aberdeen concrete batching plant. Even though the production of aggregates kept up with the increased demand, the comparatively high costs of production at Niu Tou Island resulted in the negative impact on the bottom line.

Investigations into the new source of aggregates continues and involves determining compliance with Hong Kong standards as well as ensuring stability of supply through well-established production process and thorough compliance testing.

Property Funds

In December 2013, the Group invested US$10 million (equivalent to HK$78 million) in 34.6% interest of a property fund, Grand China Cayman Investors III, Limited which in turn invested US$28.9 million for 40% interest in an US company for acquiring a property portfolio in Houston, USA. The property portfolio consists of nine residential rental properties with 2,594 apartment units in aggregate and of over 90% occupancy.

In January 2014, the Group has committed to invest US$7.8 million (equivalent to HK$61 million) in 30% interest of another property fund, Elite International Limited I LP ("Elite Fund") which in turn will invest US$24 million for 75% interest in an US company for acquiring two adjacent lands in Los Angeles, California, USA for developing a 7-storey complex project with 201 apartment units. In January 2014, the Group has already invested US$3.6 million (equivalent to HK$28 million) in Elite Fund.

FINANCIAL REVIEW

Liquidity and Financial Resources

During the year, total borrowings increased from HK$219 million (restated) to HK$239 million with the maturity profile summarised as follows:

	31st December, 2013	31st December, 2012 (Restated)
	HK$'million	*HK$'million*
Within one year	**166**	193
In the second year	**30**	16
In the third to fifth year inclusive	**43**	10
	239	219
Classified under:		
Current liabilities *(note)*	**224**	219
Non-current liabilities	**15**	-
	239	219

Note: At 31st December, 2013, bank loans that are repayable more than one year after the end of the reporting period but contain a repayment on demand clause with the aggregate carrying amount of HK$58 million (2012: HK$26 million) have been classified as current liabilities.

During the year, the Group had no significant fixed-rate borrowings and had no financial instruments for hedging purpose.

At 31st December, 2013, total amount of the Group's bank balances and cash was HK$341 million (2012: HK$175 million (restated)), of which bank deposits amounting to HK$0.03 million (2012: HK$0.01 million) were pledged to banks to secure certain general banking facilities granted to the Group.

For the year ended 31st December, 2013, the Group recorded finance costs of HK$7 million (2012: HK$6 million (restated)).

At 31st December, 2013, a portfolio of held-for-trading investments were stated at their fair values in a total amount of HK$62 million (2012: HK$61 million), comprising equity securities listed in Hong Kong and debt securities listed in Singapore. Certain listed equity securities held by Build King with a market value of HK$22 million (2012: HK$20 million) were pledged to a bank to secure certain general banking facilities granted to Build King. For the year ended 31st December, 2013, the Group recorded a net profit (net amount of change in fair value, dividend income and interest income) of HK$9 million (2012: HK$21 million) from these investments, of which net profit of HK$7 million (2012: HK$15 million) was derived from the securities invested by Build King.

The Group's borrowings, investments and bank balances are principally denominated in Hong Kong dollar, Renminbi and United States dollar. However, as those amounts denominated in Renminbi and United States dollar are insignificant, there is no significant exposure to foreign exchange rate fluctuations.

Capital Structure and Gearing Ratio

At 31st December, 2013, the equity attributable to owners of the Company amounted to HK$5,205 million, representing HK$6.56 per share (2012: HK$4,749 million, representing HK$5.99 per share). Increase in equity attributable to owners of the Company was mainly attributable to the profit generated after deduction of dividends paid during the year.

At 31st December, 2013, the gearing ratio, representing the ratio of interest bearing borrowings to equity attributable to owners of the Company, was 4.6% (2012: 4.6% (restated)) and the net gearing ratio, representing the ratio of net borrowings (interest bearing borrowings less bank balances and cash) to equity attributable to owners of the Company, was -2.0% (2012: 0.9% (restated)) as a result of total amount of bank balances and cash exceeded total amount of interest bearing borrowings.

Pledge of Assets

At 31st December, 2013, apart from the bank deposits and certain listed equity securities pledged to banks to secure certain general banking facilities granted to the Group, certain motor vehicles with an aggregate carrying value of HK$14 million (2012: HK$18 million) were pledged to secure a bank loan granted to the Group. In addition, the share of a subsidiary of the Company was pledged to secure certain bank loans granted to the Group.

Contingent Liabilities

At 31st December, 2013, the Group had outstanding tender/performance/retention bonds for construction contracts amounting to HK$248 million (2012: HK$243 million).

Capital Commitments

At 31st December, 2013, the Group has committed capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the Group's consolidated financial statements and authorised but not contracted for amounting to HK$18 million (2012: nil) and HK$0.8 million (2012: nil) respectively.

EMPLOYEES AND REMUNERATION POLICIES

At 31st December, 2013, the Group had 1,288 employees (2012: 1,037 employees), of which 1,165 (2012: 915) were located in Hong Kong, 114 (2012: 108) were located in the PRC and 9 (2012: 14) were located in UAE. For the year ended 31st December, 2013, the Group's total staff costs were HK$509 million (2012: HK$330 million (restated)).

Competitive remuneration packages are structured to commensurate with individual responsibilities, qualification, experience and performance. In addition, discretionary bonuses may be paid depending upon the financial performance of the Group as well as the performance of the individual.

The emoluments of Executive Directors and senior management are determined by the Remuneration Committee with reference to salaries paid by comparable companies, their time commitment and responsibilities, employment conditions and prevailing market conditions.

FUTURE OUTLOOK

To maintain stable profit for the Group, implementing tight cost control measures are always our primary and continuing tasks. In the same time, the Board always looks for long term investments opportunity to enhance the growth of the Group. Nevertheless, in making investment decision, we will continue to cautiously consider our financial capability.

The Board considers that the US property market has moved through bottom and continued to recover. Investing in the property funds is a long term investment with a view to set foot in US property market. The Board also considers that it is a good opportunity for the Group to capture the capital appreciation potential of US property market.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31st December, 2013.

CORPORATE GOVERNANCE CODE

The Company is committed to attaining good standard of corporate governance practices with an emphasis on a quality board, better transparency, and effective accountability system in order to enhance shareholders' value.

Throughout the year of 2013, the Company has complied with the code provisions of Corporate Governance Code as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") except for code provision of A.2.1.

Code Provision A.2.1

The duties of the Chairman and the Vice Chairman of the Board are clearly set out in writing and are separate. The Company does not at present have any officer with the title "chief executive officer". Nevertheless, the Vice Chairman carries out the duties of the chief executive officer of the Company and had done so since 1992. He was formerly designated the "managing director" of the Company until 1998 when his title was changed to "Vice Chairman". The Company does not currently intend to re-designate the Vice Chairman as the chief executive officer.

AUDIT COMMITTEE

The Audit Committee of the Company has conducted a meeting with the management and external auditor to review the accounting policies adopted by the Group, the Group's consolidated financial statements for the year ended 31st December, 2013, the general scope of audit work conducted by the external auditor and assessment of the Group's internal controls.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at Academy Room I-II, 1st Floor, InterContinental Grand Stanford Hong Kong, 70 Mody Road, Tsimshatsui East, Kowloon, Hong Kong on Friday, 9th May, 2014 at 3:30 p.m. and the Notice of the Annual General Meeting will be published and despatched to the shareholders in the manner as required by the Listing Rules.

PUBLICATION OF THE FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the Company's website (www.waikee.com) and the Stock Exchange's website (www.hkexnews.hk). The Annual Report 2013 containing all the information required by the Listing Rules will be published on the websites of the Company and the Stock Exchange, and despatched to the shareholders in due course.

APPRECIATION

The Board would like to take this opportunity to extend its heartiest thanks to the entire loyal and dedicated staff.

By Order of the Board
William Zen Wei Pao
Chairman

Hong Kong, 7th March, 2014

At the date of this announcement, the Board comprises three executive directors, namely Mr. William Zen Wei Pao, Mr. Derek Zen Wei Peu and Miss Anriena Chiu Wai Yee, three non-executive directors, namely Mr. Patrick Lam Wai Hon, Mr. Brian Cheng Chi Ming and Dr. Leslie Cheng Chi Pang, and three independent non-executive directors, namely Dr. Steve Wong Che Ming, Mr. Samuel Wan Siu Kau and Mr. Francis Wong Man Chung.