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

ANNOUNCEMENT OF FINAL RESULTS

FOR THE YEAR ENDED 31 MARCH 2019

The board of directors of Winfair Investment Company Limited (the "Company") would like to announce the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2019. The annual results of the Group have been reviewed by the Company's audit committee.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 March 2019

	Notes	2019 HK$	2018 (i) HK$
Revenue	4	26,783,152	27,225,759
Other revenue	5	114,000	158,174
Other net income	5	83,813,362	298,225,794
Fair value gain on investment properties		63,609,939	44,500,000
Administrative and general expenses		(6,113,460)	(5,938,279)
Finance cost		(736,951)	(612,580)
Profit before taxation		167,470,042	363,558,868
Taxation	6	(1,831,379)	(2,372,720)
Profit after taxation attributable to the equity shareholders of the company		165,638,663	361,186,148
Earnings per share (Basic and diluted)	7	HK$4.14	HK$9.03

Note (i): The Group has initially applied HKFRS 9 at 1 April 2018. Under the transition method chosen, comparative information is not restated.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2019

	2019 **HK$**	**2018 (i)** **HK$**
Profit for the year	165,638,663	361,186,148
Other comprehensive income for the year		
Items that will not be reclassified to profit or loss		
Increase in fair value of FVTOCI equity investment	1,897,730	- -
Items that may be reclassified subsequently to profit or loss		
Increase in fair value of available-for-sale financial assets	- -	10,242,413
Release of fair value reserve upon disposal of available-for-sale financial assets (ii)	- -	(4,495,545)
	1,897,730	5,746,868
Total comprehensive income, net of tax, for the year attributable to equity shareholders of the company	167,536,393	366,933,016

Notes:

(i) The Group has initially applied HKFRS 9 at 1 April 2018. Under the transition method chosen, comparative information is not restated.

(ii) This amount arose under the accounting policies applicable prior to 1 April 2018. As part of the opening balance adjustments as at 1 April 2018 the balance of this reserve has been reclassified to fair value reserve (non-recycling) and will not be reclassified to profit or loss in any future periods.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

	Notes	2019 HK$	2019 HK$	2018 (i) HK$	2018 (i) HK$
ASSETS					
Non-current assets					
Property, plant and equipment			1,633,945		1,712,827
Investment properties	8		610,800,000		514,100,000
Properties held for or under development			4,960,000		4,890,000
FVTOCI equity investment – equity shares listed in Hong Kong	9		128,449,291		- -
Available-for-sale financial assets – equity shares listed in Hong Kong	10		- -		115,597,818
Deposits for acquisition of investment properties			- -		27,040,000
			745,843,236		663,340,645
Current assets					
Trading securities – equity shares listed in Hong Kong		80,324,407		69,225,212	
Trade and other receivables	11	2,396,738		2,541,616	
Tax recoverable		51,723		3,099	
Cash and bank balances		518,167,105	600,939,973	462,390,765	534,160,692
Current liabilities					
Trade and other payables	12	4,690,215		5,466,833	
Bank borrowings – secured	13	20,525,200		22,454,800	
Tax payable		103,886	(25,319,301)	147,066	(28,068,699)
Net current assets			575,620,672		506,091,993
Total assets less current liabilities			1,321,463,908		1,169,432,638
Non-current liabilities					
Provision for long service payments		118,000		118,000	
Deferred taxation		866,197	(984,197)	826,045	(944,045)
NET ASSETS			1,320,479,711		1,168,488,593
CAPITAL AND RESERVES					
Share capital	14		40,000,000		40,000,000
Reserves			1,280,479,711		1,128,488,593
			1,320,479,711		1,168,488,593

Note (i):The Group has initially applied HKFRS 9 at 1 April 2018. Under the transition method chosen, comparative information is not restated.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

		Attributable to equity shareholders of the company					
	Note	Share capital HK$	Capital reserve HK$	Fair value reserve (recycling) HK$	Fair value reserve (non-recycling) HK$	Retained profits HK$	Total HK$
At 1 April 2017		40,000,000	251,046	40,915,146	- -	729,945,595	811,111,787
Profit for the year		- -	- -	- -	- -	361,186,148	361,186,148
Other comprehensive income for the year							
Items that may be reclassified subsequently to profit or loss							
- Increase in fair value of available-for-sale financial assets		- -	- -	10,242,413	- -	- -	10,242,413
- Release of fair value reserve upon disposal of available-for-sale financial assets		- -	- -	(4,495,545)	- -	- -	(4,495,545)
Total comprehensive income for the year		- -	- -	5,746,868	- -	361,186,148	366,933,016
Dividends paid							
- 2016/17 final dividend (HK$0.12 per share)		- -	- -	- -	- -	(4,800,000)	(4,800,000)
- 2017/18 interim dividend (HK$0.02 per share)	15	- -	- -	- -	- -	(800,000)	(800,000)
- 2017/18 interim special dividend (HK$0.10 per share)	15	- -	- -	- -	- -	(4,000,000)	(4,000,000)
Unclaimed dividend forfeited	15	- -	- -	- -	- -	43,790	43,790
At 31 March 2018		40,000,000	251,046	46,662,014	- -	1,081,575,533	1,168,488,593

Note: The Group has initially applied HKFRS 9 at 1 April 2018. Under transition method chosen, comparative information is not restated.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont'd)

FOR THE YEAR ENDED 31 MARCH 2019

		Attributable to equity shareholders of the company					
	Note	Share capital HK$	Capital reserve HK$	Fair value reserve (recycling) HK$	Fair value reserve (non-recycling) HK$	Retained profits HK$	Total HK$
At 31 March 2018		40,000,000	251,046	46,662,014	- -	1,081,575,533	1,168,488,593
Impact on initial application of HKFRS 9	2	- -	- -	(46,662,014)	46,662,014	- -	- -
At 1 April 2018		40,000,000	251,046	- -	46,662,014	1,081,575,533	1,168,488,593
Profit for the year		- -	- -	- -	- -	165,638,663	165,638,663
Other comprehensive income for the year							
Items that will not reclassified to profit or loss							
- Increase in fair value of FVTOCI equity investment		- -	- -	- -	1,897,730	- -	1,897,730
Total comprehensive income for the year		- -	- -	- -	1,897,730	165,638,663	167,536,393
Transfer of gain on disposal of FVTOCI equity investment to retained profits		- -	- -	- -	(3,634,562)	3,634,562	- -
Dividends paid							
- 2017/18 final dividend (HK$0.12 per share)	15	- -	- -	- -	- -	(4,800,000)	(4,800,000)
- 2017/18 final special dividend (HK$0.20 per share)	15	- -	- -	- -	- -	(8,000,000)	(8,000,000)
- 2018/19 interim dividend (HK$0.02 per share)	15	- -	- -	- -	- -	(800,000)	(800,000)
- 2018/19 interim special dividend (HK$0.05 per share)	15	- -	- -	- -	- -	(2,000,000)	(2,000,000)
Unclaimed dividend forfeited	15	- -	- -	- -	- -	54,725	54,725
At 31 March 2019		40,000,000	251,046	- -	44,925,182	1,235,303,483	1,320,479,711

Note: The Group has initially applied HKFRS 9 at 1 April 2018. Under transition method chosen, comparative information is not restated.

Notes

1. BASIS OF PREPARATION

The financial statements have been prepared on the historical cost convention, as modified by the fair value of investment properties, properties held for or under development, FVTOCI equity investment and trading securities, and in accordance with 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"), and accounting principles generally accepted in Hong Kong. The financial statements also comply with the disclosure requirements of the Hong Kong Companies Ordinance ("the Companies Ordinance") and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("the Listing Rules").

The financial information relating to the years ended 31 March 2019 and 2018 included in this announcement does not constitute the Company's statutory annual consolidated financial statements for these two years but is derived from those consolidated financial statements. Further information relating to these statutory accounts required to be disclosed in accordance with section 436 of the Companies Ordinance is as follows:

The Company delivered the financial statements for the year ended 31 March 2018 to the Registrar of Companies of Hong Kong as required by section 662(3) of, and Part 3 of Schedule 6 to, the Companies Ordinance and will deliver the financial statements for the year ended 31 March 2019 to the Registrar of Companies of Hong Kong within the prescribed time limit.

The Company's auditor has reported on those consolidated financial statements of the Company for both years ended 31 March 2019 and 2018. The auditor's reports were unqualified; did not include reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under section 406(2), 407(2) or (3) of the Companies Ordinance.

2. ADOPTION OF NEW AND REVISED HKFRSs

In the current year, the group has applied, for the first time, the following new standards, amendments, improvements to HKFRSs and interpretation to accounting standard issued by the HKICPA which are effective for the group's financial year beginning on 1 April 2018:

HKFRS 9	Financial Instruments
HKFRS 2 (Amendments)	Classification and Measurement of Share-based Payment transactions
HKFRS 15	Revenue from Contracts with Customers
HKFRS 15 (Amendments)	Clarifications to HKFRS 15 Revenue from Contracts with Customers
HKAS 40 (Amendments)	Investment Property: Transfers of Investment Property
HK(IFRIC) 22	Foreign Currency Transactions and Advance Consideration
Annual Improvement 2014-16 Cycle	Improvements to HKFRSs in relation to HKAS 28 "Investments in Associates and Joint Ventures"

Except for the impact disclosed below, the application of new or revised standards, amendments and improvement to HKFRSs and interpretations in the current year had no material impact on the group's financial position and results for the current and prior year.

2. ADOPTION OF NEW AND REVISED HKFRSs (Cont'd)

HKFRS 9 Financial instrument

HKFRS 9 replaces HKAS 39 "Financial Instruments: Recognition and Measurement". It sets out the requirements and measurement of financial assets, financial liabilities, and contracts to buy or sell non-financial items.

The Group has applied HKFRS 9 retrospectively to items that existed at 1 April 2018 in accordance with transition requirement. The Group has recognised the cumulative effect of initial application as an adjustment to the opening equity at 1 April 2018. Therefore, comparative information continues to be reported under HKAS 39.

The following table summarises the impact of transition to HKFRS 9 on reserves at 1 April 2018:

	HK$
Fair value reserve (recycling)*	
Transferred to fair value reserve (non-recycling) relating to equity securities now measured at FVTOCI	(46,662,014)
Decrease in fair value reserve (recycling) at 1 April 2018	(46,662,014)
Fair value reserve (non-recycling)	
Transferred from fair value reserve (recycling) relating to equity securities now measured at FVTOCI	46,662,014
Increase in fair value reserve (non-recycling) at 1 April 2018	46,662,014

*Fair value reserve (recycling) included the cumulative net change in the fair value of available-for-sale financial assets held at the end of the last reporting period in accordance with HKAS 39.

2. ADOPTION OF NEW AND REVISED HKFRSs (Cont'd)

HKFRS 9 Financial instrument (Cont'd)

Further details of the nature and effect of the changes to previous accounting policies and the transition approach are set out below:

(a) Classification of Financial Assets and Financial Liabilities

HKFRS 9 categorises financial assets into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income ("FVTOCI") and at fair value through profit or loss ("FVTPL"). These supersede HKAS 39's four classification categories: held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at FVTPL.

Non-equity investments held by the Group are classified into one of the following measurement categories:

- amortised cost, if the investment is held for the collection of contractual cash flows which represent solely payments of principal and interest.

- FVTOCI (recycling), if the contractual cash flows of the investment comprise solely payments of principal and interest and the investment is held within a business model whose objective is achieved by both the collection of contractual cash flows and sale.

- FVTPL, if the investment does not meet the criteria for being measured at amortised cost or FVTOCI (recycling). Changes in the fair value of the investment (including interest) are recognised in profit or loss.

An investment in equity securities is classified as FVTPL unless the equity investment is not held for trading purposes and on initial recognition of the investment the Group makes an election to designate the investment at FVTOCI (non-recycling) such that subsequent changes in fair value are recognised in other comprehensive income. Such elections are made on instrument-by-instrument basis, but may only be made if the investment meets the definition of equity from the issuer's perspective. Where such an election is made, the amount accumulated in other comprehensive income remains in the fair value reserve (non-recycling) until the investment is disposed of. At the time of disposal, the amount accumulated in the fair value reserve (non-recycling) is transferred to retained profits. It is not recycled through profit or loss. Dividends from an investment in equity securities, irrespective of whether classified as at FVTPL or FVTOCI (non-recycling), are recognised in profit or loss.

2. ADOPTION OF NEW AND REVISED HKFRSs (Cont'd)

HKFRS 9 Financial instrument (Cont'd)

(a) Classification of Financial Assets and Financial Liabilities (Cont'd)

The following table shows the original measurement categories for each class of the Group's financial assets under HKAS 39 and reconciles the carrying amounts of those financial assets determined in accordance with HKAS 39 to those determined in accordance with HKFRS 9:

	Carrying amount at 31 March 2018 under HKAS 39 HK$	Reclassification HK$	Carrying amount at 1 April 2018 under HKFRS 9 HK$
Financial assets carried at amortised cost			
Cash and bank balances	462,390,765	- -	462,390,765
Trade and other receivables	2,541,616	- -	2,541,616
	464,932,381	- -	464,932,381
Financial assets measured at FVTOCI (non-recycling)			
FVTOCI equity investment			
- equity shares listed in HK (note (i))	- -	115,597,818	115,597,818
Financial assets measured at FVTPL			
Trading securities (note (ii))	69,225,212	- -	69,225,212
Financial assets classified as available-for-sale financial assets under HKAS 39			
Available-for-sale financial assets			
- equity shares listed in HK (note (i))	115,597,818	(115,597,818)	- -

Notes:

(i) Under HKAS 39, equity securities not held for trading were classified as available-for-sale financial assets. These equity securities are classified as at FVTPL under HKFRS 9, unless they are eligible for and designated at FVTOCI by the Group. At 1 April 2018, the Group elected to designate these investments as FVTOCI equity investment as the Group holds these investments for long-term and strategic purpose.

(ii) "Trading Securities" were classified as financial assets at FVTPL under HKAS 39. These assets continue to be measured at FVTPL under HKFRS 9.

2. ADOPTION OF NEW AND REVISED HKFRSs (Cont'd)

HKFRS 9 Financial instrument (Cont'd)

(a) Classification of Financial Assets and Financial Liabilities (Cont'd)

HKFRS 9 largely retains the existing requirements in HKAS 39 for the classification and measurement of financial liabilities. Hence, the adoption of HKFRS 9 does not affect the carrying amounts of the Group's financial liabilities as at 1 April 2018.

(b) Credit losses

HKFRS 9 replaces the "incurred loss" model in HKAS 39 by the expected credit loss ("ECL") model. The ECL model requires an ongoing measurement of credit risk associated with a financial asset and therefore recognises ECLs earlier than the "incurred loss" accounting model in HKAS 39. The ECL model applies to the Group's financial assets measured at amortised cost, but not to the Group's financial assets measured at fair value.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effect. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and

- Lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

For the Group's rental and other receivables, the loss allowance is measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For the Group's other financial assets measured at amortised cost, the loss allowance is measured at an amount equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

There is no material impact on the ECLs of the Group due to the change in accounting policy.

2. ADOPTION OF NEW AND REVISED HKFRSs (Cont'd)

HKFRS 9 Financial instrument (Cont'd)

(c) Impact on the consolidated financial statements as at 31 March 2019

The amount by each financial statements' line items affected in the current year and year to date by the application of HKFRS 9 as compared to HKAS 39 that was previously in effect before the adoption of HKFRS 9 is as follows:

	Before adoption of HKFRS 9 HK$	Impact from adoption of HKFRS 9 HK$	Amount as reported HK$
Consolidated statement of profit or loss (extract)			
Gain on disposal of available-for-sale financial assets	3,634,562	(3,634,562)	- -
Profit before taxation	171,104,604	(3,634,562)	167,470,042
Taxation	(1,831,379)	- -	(1,831,379)
Profit for the year	169,273,225	(3,634,562)	165,638,663
Earnings per share	423.2 HK cents	(9.1 HK cents)	414.1 HK cents
Consolidated statement of profit or loss and other comprehensive income (extract)			
Profit for the year	169,273,225	(3,634,562)	165,638,663
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
- Increase in fair value of FVTOCI equity investment	- -	1,897,730	1,897,730
Items that may be reclassified subsequently to profit or loss:			
- Increase in fair value of available-for-sale financial assets	1,897,730	(1,897,730)	- -
- Release of fair value reserve upon disposal of available-for-sale financial assets	(3,634,562)	3,634,562	- -
Total comprehensive income	167,536,393	- -	167,536,393

The adoption of HKFRS 9 has no impact on the net cash flow from operating, investing and financing activities on the consolidated statement of cash flows and has no impact on net assets of the Group.

2. ADOPTION OF NEW AND REVISED HKFRSs (Cont'd)

Standards, amendments and interpretations not effective

The HKICPA has issued the following new and revised standards, amendments and improvement to HKFRSs and interpretations which are not effective for the group's and the company's financial statements for the year ended 31 March 2019:

		Effective for accounting periods beginning on or after
HKFRS 3 (Amendments)	Definition of a Business	1 January 2020
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation	1 January 2019
HKFRS 16	Leases	1 January 2019
HKFRS 17	Insurance Contracts	1 January 2021
HKAS 1 and HKAS 8 (Amendments)	Definition of Material	1 January 2020
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement	1 January 2019
HKAS 28 (Amendments)	Long-term interests in Associates and Joint Ventures	1 January 2019
HK(IFRIC) 23	Uncertainty over Income Tax Treatments	1 January 2019
HKFRS 10 & HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Annual Improvement 2015-17 Cycle	Improvements to HKFRSs	1 January 2019

The Group has not early applied the new or revised standards, amendments and improvement to HKFRSs and interpretations that have been issued but are not yet effective for the current accounting year.

Except for the new HKFRS mentioned below, the Directors of the Company anticipate that the application of these new standards, amendments and improvement to HKFRSs and interpretations will have no material impact on the Group's accounting policies, results and financial position.

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 and the related interpretations when it becomes effective.

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

The Group intends to elect the practical expedient not to reassess whether a contract is or contains a lease as at the date of initial application of HKFRS 16. The Group currently considers refundable rental deposits received of HK$2,548,328 as rights and obligations under leases to which HKAS 17 applies. Based on the definition of lease payments under HKFRS 16, such deposits are not rental payments relating to the right to use the underlying assets. Accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits received would be considered as advance lease payments from lessees. The Group expects that application of the HKFRS 16 will have no material impact to the net assets of the Group as at 1 April 2019 (date of initial application of HKFRS 16) for leases in which the Group is the lessor.

3. 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 investments	– securities investments for short-term and long-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**	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
	HK$	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**
STATEMENT OF PROFIT OR LOSS								
Segment revenue – from external customer	9,727,383	8,285,556	17,055,769	18,940,203	- -	- -	26,783,152	27,225,759
Segment results	4,101,904	17,803,328	13,621,678	15,816,328	75,631	(6,384)	17,799,213	33,613,272
Gain on disposal of available-for-sale financial assets	- -	6,304,733	- -	- -	- -	- -	- -	6,304,733
Gain on disposal of investment properties	- -	- -	82,319,818	181,961,940	- -	- -	82,319,818	181,961,940
Fair value gain on investment properties	- -	- -	63,609,939	44,500,000	- -	- -	63,609,939	44,500,000
Fair value (loss)/gain on properties held for or under development	- -	- -	- -	- -	(12,800)	2,722,592	(12,800)	2,722,592
Results before interest, tax and corporate expenses	4,101,904	24,108,061	159,551,435	242,278,268	62,831	2,716,208	163,716,170	269,102,537
Gain on disposal of subsidiary							- -	95,702,400
Disposal-related cost							- -	(312,770)
Interest income							5,859,790	915,055
Interest expense							(736,951)	(612,580)
Unallocated corporate expenses							(1,368,967)	(1,235,774)
Profit before taxation							167,470,042	363,558,868
Taxation							(1,831,379)	(2,372,720)
Profit after taxation							165,638,663	361,186,148

Revenue and expenses are allocated to the operating segments by reference to revenue generated by those segments and the expenses incurred by those segments including depreciation and impairment losses attributable to those segments.

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

The group's customer base is diversified and includes one tenant of leasing properties with whom transactions have exceeded 10% of the group's revenues amounted to approximately HK$4.8 million (2018: HK$4.5 million).

3. SEGMENT INFORMATION (Cont'd)

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

	Securities investments		Property leasing		Property development		Consolidated total	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
	HK$	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**	**HK$**
STATEMENT OF FINANCIAL POSITION								
Assets								
Segment assets	227,903,580	187,406,296	616,788,757	545,601,121	4,960,000	4,890,000	849,652,337	737,897,417
Tax recoverable	- -	- -	51,398	2,776	325	323	51,723	3,099
	227,903,580	187,406,296	616,840,155	545,603,897	4,960,325	4,890,323	849,704,060	737,900,516
Unallocated corporate assets							497,079,149	459,600,821
Consolidated total assets							1,346,783,209	1,197,501,337
Liabilities								
Segment liabilities	165,520	1,090,590	23,606,434	25,645,683	140,408	188,408	23,912,362	26,924,681
Tax payable and deferred taxation	- -	- -	970,083	973,111	- -	- -	970,083	973,111
	165,520	1,090,590	24,576,517	26,618,794	140,408	188,408	24,882,445	27,897,792
Unallocated corporate liabilities							1,421,053	1,114,952
Consolidated total liabilities							26,303,498	29,012,744
OTHER INFORMATION								
Capital expenditure	- -	- -	88,691,341	5,420	82,800	167,408	88,774,141	172,828
Purchase of FVTOCI equity investment	16,927,307	- -	- -	- -	- -	- -	16,927,307	- -
Purchase of available-for-sale financial assets	- -	6,075,403	- -	- -	- -	- -	- -	6,075,403
Loss on disposal of property, plant and equipment	- -	- -	690	520	- -	- -	690	520
Depreciation	1,122	1,222	78,350	79,195	- -	- -	79,472	80,417
Fair value (loss)/gain on trading securities	(4,353,446)	10,619,074	- -	- -	- -	- -	(4,353,446)	10,619,074
Fair value gain on FVTOCI equity investment	1,897,730	- -	- -	- -	- -	- -	1,897,730	- -
Fair value gain on available-for-sale financial assets	- -	10,242,413	- -	- -	- -	- -	- -	10,242,413
Gain on disposal of FVTOCI equity investments transferred from fair value reserve (non-recycling) to retained profits	3,634,562	- -	- -	- -	- -	- -	3,634,562	- -

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 borrowing directly attributable to and managed by each segment with the exception of certain corporate liabilities.

4. REVENUE

	2019 HK$	2018 HK$
Gross rental income from investment properties	17,055,769	18,940,203
Dividend income from share investments listed in Hong Kong		
- FVTOCI equity investments		
-related to investments derecognised during the year	*82,800*	- -
-related to investments held at the end of the reporting period	*4,471,870*	- -
	4,554,670	- -
- available-for-sale financial assets	- -	4,052,072
- trading securities	3,592,247	2,718,841
	8,146,917	6,770,913
Net result of trading in securities	1,580,466	1,514,643
	26,783,152	27,225,759

5. OTHER REVENUE AND OTHER NET INCOME

	2019 HK$	2018 HK$
Other revenue		
Sundry income	114,000	158,174
	114,000	158,174
Other net income		
Bank interest income	5,859,790	915,055
Gain on disposal of available-for-sale financial assets	- -	6,304,733
Gain on disposal of investment properties	82,319,818	181,961,940
Gain on disposal of subsidiary	- -	95,702,400
Fair value (loss)/gain on trading securities	(4,353,446)	10,619,074
Fair value (loss)/gain on properties held for or under development	(12,800)	2,722,592
	83,813,362	298,225,794

6. TAXATION

	2019 HK$	2018 HK$
Current income tax		
Provision for Hong Kong Profits Tax for current year	1,950,500	2,565,200
Over-provision for prior years	(159,273)	(107,910)
	1,791,227	2,457,290
Deferred tax		
Origination and reversal of temporary differences	40,152	(84,570)
Total income tax	1,831,379	2,372,720

Provision for Hong Kong profits tax is made at 8.25% on estimated assessable profits up to HK$2,000,000 and 16.5% on any part of estimated assessable profits over HK$2,000,000 for the year (2018: Provision for Hong Kong profits tax is made at 16.5% on the estimated assessable profit for the year).

Reconciliation between income tax and accounting profit at applicable tax rate

	2019 HK$	2018 HK$
Profit before taxation	167,470,042	363,558,868
Notional tax on profit before taxation, calculated at effective rate of 16.4% (2018: 16.5%)	27,467,558	59,987,210
Tax effect of non-deductible expenses	97,323	82,361
Tax effect of non-taxable revenue	(26,443,966)	(55,914,809)
Tax effect of unused current tax losses not recognised	865,970	- -
Tax effect of unused tax losses and unrecognised deductible temporary differences utilised	- -	(1,670,354)
Others	(155,506)	(111,688)
Income tax	1,831,379	2,372,720

7. EARNINGS PER SHARE

The calculation of basic earnings per share is based on the consolidated profit after tax of HK$165,638,663 (2018: HK$361,186,148) and on 40,000,000 (2018: 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 (2018: Nil).

8. INVESTMENT PROPERTIES

	2019 HK$	2018 HK$
Fair value		
At the beginning of the year	514,100,000	602,800,000
Additions	88,690,061	- -
Disposals	(55,600,000)	(133,200,000)
Increase in fair value	63,609,939	44,500,000
At the end of the year	610,800,000	514,100,000

All investment properties of the group are situated in Hong Kong and held under following lease terms:

	2019 HK$	2018 HK$
Short term lease	35,000,000	35,300,000
Medium term leases	225,500,000	193,400,000
Long leases	350,300,000	285,400,000
	610,800,000	514,100,000

The group's investment properties were revalued on 31 March 2019 by RHL Appraisal Limited, an independent firm of professional surveyors, on an open market value basis.

At 31 March 2019, the group's investment properties with aggregate carrying value of HK$332,400,000 (2018: HK$212,700,000) were pledged to a bank to secure general bank facilities of the group.

9. FVTOCI EQUITY INVESTMENT

	2019 HK$	2018 HK$
Listed shares in Hong Kong, at fair value		
At the beginning of the year	- -	- -
Initial adoption of HKFRS 9 at 1 April 2018	115,597,818	- -
Additions	16,927,307	- -
Disposals	(5,973,564)	- -
Increase in fair value	1,897,730	- -
At the end of the year	128,449,291	- -

FVTOCI equity investments are held for long-term and strategic purpose. The group held less than 1% interest of issued share capital for each underlying investee company.

Top five holdings of the group's equity investment at FVTOCI are as follows:

Stock Code	Stock name	Principal business	2019 HK$'000	2018 HK$'000
2	CLP Holdings Limited	Utilities	22,738	- -
5	HSBC Holdings Plc	Financials	22,888	- -
17	New World Development Co Limited	Properties & Construction	19,072	- -
388	Hong Kong Exchanges and Clearing Limited	Financials	15,067	- -
1	CK Hutchison Holdings Limited	Conglomerates	8,261	- -

During the year, the group sold a number of shares of CLP Holdings Limited and New World Development Company Limited with total fair value of HK$5,973,564 to strengthen the cash position and realised a gain of HK$3,634,562 which had already been included in fair value reserve (non-recycling). Such gains of HK$3,634,562 were transferred to retained profits.

10. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2019 HK$	2018 HK$
Listed shares in Hong Kong, at fair value		
At the beginning of the year	115,597,818	107,551,460
Initial adoption of HKFRS 9 at 1 April 2018	(115,597,818)	- -
Additions	- -	6,075,403
Disposals	- -	(8,271,458)
Increase in fair value	- -	10,242,413
At the end of the year	- -	115,597,818

11. TRADE AND OTHER RECEIVABLES

	2019 HK$	2018 HK$
Rental receivables		
- Within 30 days	143,000	130,274
- Within 31 days to 60 days	66,555	117,086
- Within 61 days to 90 days	300	111,600
	209,855	358,960
Other receivables	1,936,237	1,938,676
Rental and other receivables, unimpaired *(note (a))*	2,146,092	2,297,636
Deposits and prepayments	250,646	243,980
	2,396,738	2,541,616

Note (a) *Normally, monthly rentals are payable in advance by tenants in accordance with the leases. The rental receivables and other receivables (mainly including dividend receivable from listed shares, sales receivable from disposal of listed shares and bank interest receivable) of the group were current and were aged less than 90 days. The ageing analysis is based on first date on each month in accordance with the leases. The group does not hold any collateral over these balances.*

In determining the recoverability of rental receivables, the group reviews the recoverable amount of each tenant at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. The exposure of credit risk is limited due to deposits received from tenants. Full allowance will be made on the balance overdue for 90 days after setting off the relevant tenant's deposit.

12. TRADE AND OTHER PAYABLES

	2019 HK$	2018 HK$
Rental deposits received	2,548,328	2,772,168
Receipts in advance	158,668	176,931
Unclaimed dividends	589,077	353,517
Accrued expenses *(note (a))*	1,394,142	2,164,217
	4,690,215	5,466,833

Note (a) *As at 31 March 2018, accrual expenses included an ex gratia payment of HK$1,432,881 for the late Mr. Ng See Wah.*

13. BANK BORROWINGS, SECURED

The bank loans, which are subject to repayment on demand clause, are repayable as follows:

	2019 HK$	2018 HK$
Current liabilities		
Within one year	10,270,200	1,929,600
After one year but not exceeding two years	10,255,000	10,270,200
After two years but not exceeding five years	- -	10,255,000
	20,525,200	22,454,800

The bank loans bear interest at 2% per annum above Hong Kong Interbank Offered Rate, or 1% per annum below Hong Kong Dollars Best Lending Rate of a commercial bank in Hong Kong. During the year, interest on bank borrowings was HK$736,951 (2018: HK$612,580).

The group needs to fulfill certain covenants on loan-to-security value ratio. If the group were to breach the covenants, the drawn down facilities would become payable on demand and the rent of the pledged properties would be collected by the bank. The group regularly monitors its compliance with these covenants. As at 31 March 2019, none of the covenants was breached.

The company has executed a corporate guarantee amounting to HK$82,900,000 (2018: HK$82,900,000) in favour of a bank for securing the loans of the group. The bank loans are reviewed annually and have been renewed subsequently after the year end.

The directors consider that the carrying amount of the bank borrowings approximates their fair value.

14. SHARE CAPITAL

	2019		2018	
	No. of shares	Amount HK$	No. of shares	Amount HK$
Issued and fully paid				
Ordinary shares	40,000,000	40,000,000	40,000,000	40,000,000

15. DIVIDENDS

	2019 HK$	2018 HK$
Dividends attributable to the year -		
Interim dividend at HK$0.02 (2018: HK$0.02)		
per share paid during the year	800,000	800,000
Interim special dividend at HK$0.05 (2018: HK$0.10)		
per share paid during the year	2,000,000	4,000,000
Final dividend at HK$0.12 (2018: HK$0.12)		
per share proposed after the reporting period *(note (b))*	4,800,000	4,800,000
Final special dividend at HK$Nil (2018: HK$0.20)		
per share proposed after the reporting period *(note (b))*	- -	8,000,000
	7,600,000	17,600,000
Unclaimed dividend forfeited *(note (a))*	(54,725)	(43,790)
	7,545,275	17,556,210

Note (a) *Pursuant to Article 145 of the Articles of Association of the company, on 27 March 2019 the board of directors resolved that the dividends for the financial years 2011/12 to 2012/13 amounting to HK$54,725 payable on or before 9 January 2013 remained unclaimed on 27 March 2019 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.*

16. EVENTS AFTER THE REPORTING PERIOD

(a) On 9 May 2019, Wing Tai Investment Limited, a wholly-owned subsidiary of the Company, entered into a Provisional Sale and Purchase Agreement with the Seller, an Independent Third Party, in relation to the acquisition of the redevelopment site located at the Remaining Portion of Kowloon Inland Lot No. 2123 together with the messuages erections and buildings there (if any) (the "Property") at a consideration of HK$410,000,000 (the "Acquisition"). Pursuant to the Provisional Agreement, the Acquisition is subject to the shareholders' approval in the forthcoming extra-ordinary general meeting.

(b) Subsequent to the reporting period, the Group disposed of various FVTOCI equity investment at a total consideration of approximate of HK$6,700,000 and generated a gain of approximate of HK$3,300,000. Also, following a decline in Hong Kong Hang Seng Index, the market value of the Group's share investment portfolio (for long-term investment and trading purpose) as at 25 June 2019 dropped by approximately of HK$9,500,000, as compared to 31 March 2019.

DIVIDENDS

In January 2019, the Company paid an interim dividend of 2 HK cents (2018: 2 HK cents) per share and an interim special dividend of 5 HK cents per share (2018: 10 HK cents), totaling HK$2,800,000 (2018: HK$4,800,000).

The board will propose in the Annual General Meeting to be held on 29 August 2019 the payment of a final dividend of 12 HK cents per share (2018: a final dividend of 12 HK cents per share and a final special dividend of 20 HK cents per share) in respect of the year ended 31 March 2019, absorbing a total amount of HK$4,800,000 (2018: HK$12,800,000). It is proposed that the dividend cheque will be dispatched on or about 10 October 2019 to the shareholders whose names are on the Register of Members on 6 September 2019.

CLOSURE OF REGISTER

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 Friday, 23 August 2019 to Thursday, 29 August 2019, 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 Thursday, 22 August 2019.

The register of members of the Company will also be closed from Thursday, 5 September 2019 to Friday, 6 September 2019, 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 2019. 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 Wednesday, 4 September 2019.

CORPORATE GOVERNANCE PRACTICE

Save for the exceptions set out below, the Company has complied with all Code Provisions set out in the "Corporate Governance Code" contained in Appendix 14 of the Listing Rules throughout the year ended 31 March 2019 and up to the latest practicable date prior to the publication of this announcement:

1. The Group has not designated any chief executive. Generally, prior approvals by all executive directors are required for all strategic decisions and are confirmed in formal board meeting or under written resolutions subsequently. 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;

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

4. The Group has not arranged insurance cover in respect of legal action against its directors as the Board considers that it adopts prudent management policy. The need for insurance policy will be reviewed from time to time.

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.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Results

During the year, the Group recorded a profit of HK$165,638,663, representing a decrease by HK$195,547,485 (or 54.1%) as compared to last year. The decrease was mainly due to decrease in gain on disposal of investment properties of HK$99,642,112 as compared to last year, absence of gain on disposal of subsidiary of HK$95,702,400 during the year and fair value loss on trading securities, as opposed to fair value gain in last year.

Property investment

Following the disposal of Nam Kok Road Property and No. 96 Bonham Strand Property in February 2018 and September 2018 respectively, the rental income of the Group was HK$17,055,769 during the year, representing a decrease by HK$1,884,434 (or 9.9%) as compared to last year.

On 28 June 2018, Hing Full Far East Development Limited, a wholly-owned subsidiary of the Company, completed the acquisition of No. 66 Ma Tau Chung Road, Kowloon ("66 MTC Property") at a total cost of HK$88,690,061 (comprising a consideration of HK$67,600,000, a 30% stamp duty and other incidental cost) in order to enhance the completeness of Ma Tau Chung Road Re-development Project ("the MTC Project"). As at 31 March 2019, the properties located at Nos. 60, 62, 64 and 66 Ma Tau Chung ("60-66 MTC Property") was valued on a one asset basis, instead of the four standalone basis which was previously used as the valuation using the one asset basis is more suitable in reflecting the re-development potential. Thus, 60-66 MTC Property recorded the fair value gain of approximately of HK$31,000,000 for the year.

On 14 August 2018, Konchoy Limited, a wholly-owned subsidiary of the Company, entered into a Provisional Sale and Purchase Agreement with the Purchaser, independent third party, in relation to the disposal of the property located at No. 96 Bonham Strand, Hong Kong at selling price of HK$138,000,000 (the "Disposal"). The Disposal was completed on 20 September 2018 and generated a capital gain of HK$82,319,818.

The property market in Hong Kong remained stable during the year. The Group's fair value of investment properties was increased by 11.6% and a fair value gain of HK$63,609,939 (2018: HK$44,500,000) was recorded during the year. As at 31 March 2019, the Group's investment properties portfolio amounted to HK$610,800,000 (2018: HK$514,100,000).

Property development

For the year ended 31 March 2019, the Group recorded a fair value loss of HK$12,800 (2018: fair value gain of HK2,722,592) on property held for or under development.

In the last financial year, the Company completed the disposal of the 100% equity interest in Winful Far East Limited, a wholly-owned subsidiary of the Company, which solely held the land located at Lot Nos. 42RP and 122RP in demarcation district 121 Yuen Long, Ping Shan, New Territories. The transaction generated a gain of HK$95,702,400.

Regarding the land located at Lot No. 2874 RP in demarcation district 130 Tuen Mun, Lam Tei, New Territories, the Group re-applied and re-negotiated with the Lands Department for the proposed change from agricultural land use to commercial use in October 2018. As at the date of this report, the application is still in process.

On 9 May 2019, Wing Tai Investment Limited, a wholly-owned subsidiary of the Company, entered into a Provisional Sale and Purchase Agreement (the "Provisional Agreement") with the Seller, an independent third party, in relation to the acquisition of the Remaining Portion of Kowloon Inland Lot No. 2123 together with the messuages erections and buildings thereon (if any) (here known as "31 Fuk Tsun Street") at a purchase price of HK$410,000,000 (the "FTS Acquisition"). The FTS Acquisition is scheduled to be completed on 10 September 2019, subject to shareholders' approval for such acquisition in the forthcoming extra-ordinary general meeting ("EGM") of the Company.

Share investments and dividend income

Dividend income increased by HK$1,376,004 (or 20.3%) to HK$8,146,917 as compared to last year. The increase was mainly due to increase in holding of shares in the first half of the financial year.

During the year, the Group recorded a realised gain on disposal of trading securities of HK$1,580,466 (2018: HK$1,514,643). Upon the adoption of HKFRS 9 on 1 April 2018, the Group elected all long term equity investment, which was previously classified as "available-for-sale financial assets", as "FVTOCI equity investment". During the year, the Group realised a gain of HK$3,634,562, which was directly transferred from fair value reserve (non-recycling) to retained profits. The gain on disposal of FVTOCI equity investment was attributable mainly to the sale of various securities, including CLP Holdings Limited (stock code: 2) and New World Development Company Limited (stock code: 17), at a total consideration of approximately of HK$6,000,000. In last year, the Group realised a gain on disposal of available-for-sale financial assets of HK$6,304,733 and recorded in the statement of profit or loss under HKAS 39.

During the first half of the financial year, the securities market was volatile and in a correction period. The Group considered it might be good opportunity to strengthen and diversify its shares investment portfolio. The Group purchased certain listed securities at a total cost of approximate of HK$17,000,000 for long-term investment during the year. The major purchases included China Petroleum & Chemicals Corporation (stock code: 386), Huaneng Power International Inc. (stock code: 902) and BBMG Corporation (stock code: 2009). Also, the Group made a portfolio adjustment on the trading securities and recorded a net purchase of HK$18,450,000 during the year. The Group mainly increased the shareholding of blue chip stocks including China Life Insurance Co. Ltd. (stock code: 2628), New World Development Co. Ltd. (stock code: 17) and China Petroleum & Chemicals Corporation (stock code: 386).

During the year, the Group recorded an unrealised loss on trading securities of HK$4,353,446 (2018: unrealised gain of HK$10,619,074) and unrealised gain on FVTOCI equity investment of HK$1,897,730 (2018: unrealised gain on available-for-sale financial assets of HK$10,242,413) which were recorded in the statement of profit or loss and other comprehensive income respectively. As at 31 March 2019, the Group's listed share investment portfolios had an aggregate fair value of HK$208,773,698 (2018: HK$184,823,030).

Share investments and dividend income (Cont'd)

Subsequent to the reporting period, the Group disposed of various FVTOCI equity investment at a total consideration of approximate of HK$6,700,000 and generated a gain of approximate of HK$3,300,000. Also, following a decline in Hong Kong Hang Seng Index, the market value of the Group's share investment portfolio (for long-term investment and trading purpose) as at 25 June 2019 dropped by approximately of HK$9,500,000, as compared to 31 March 2019.

Details of the Group's share investment portfolios as at 31 March 2019 for long-term investment and trading purposes are set out in Table 1 and Table 2 below, respectively:

Table 1: Details of the Group's Share Investment Portfolio for Long-Term Investment Purpose

	Stock code	Stock name	Principal business	Investment costs (HK$'000)	Fair value at 31.3.2019 (HK'000)	Proportional to total assets of the Group	Fair value gain/(loss) during the year (HK$'000)	Gain on disposal (HK$'000)	Dividend income (HK$'000)
1.	2	CLP Holdings Limited	Utilities	8,685	22,738	1.7%	3,436	2,932	804
2.	5	HSBC Holdings Plc	Financials	25,319	22,888	1.7%	(3,607)	- -	1,417
3.	17	New World Development Co. Ltd.	Properties & Construction	13,170	19,072	1.4%	2,999	702	718
4.	388	Hong Kong Exchanges and Clearing Limited	Financials	11,330	15,067	1.1%	1,037	- -	519
5.	1	CK Hutchison Holdings Limited	Conglomerates	9,479	8,261	0.6%	(1,147)	- -	295
6.	1113	CK Assets Holdings Limited	Properties & Construction	- -	6,993	0.5%	396	- -	175
7.	1398	ICBC – H Shares	Financials	6,881	6,907	0.5%	(835)	- -	248
		Others (note (1))		27,593	26,523	2.0%	(381)		379
		Total		102,457	128,449	9.5%	1,898	3,634	4,555

Note (1): Other securities included nine stocks listed in Hong Kong, six of which were current constituents of Hang Seng Index and their principal businesses mainly included conglomerates, financials, energy and utilities,. The market value for each individual stock was less than 5% of the market value of the Group's share investment portfolio for long term purpose.

Note (2): The Group held less than 1% interest of issued share capital for each underlying company.

Table 2: Details of the Group's Share Investment Portfolio for Trading Purpose

	Stock code	Stock name	Principal business	Investment costs (HK$'000)	Fair value at 31.3.2019 (HK'000)	Proportional to total assets of the Group	Fair value gain/(loss) during the year (HK$'000)	Gain on disposal (HK$'000)	Dividend income (HK$'000)
1.	5	HSBC Holdings Plc	Financials	28,776	22,324	1.6%	(3,518)	- -	1,382
2.	388	Hong Kong Exchanges and Clearing Limited	Financials	4,467	11,672	0.9%	803	54	498
3.	2628	China Life Insurance Company Limited – H share	Financials	9,605	10,104	0.8%	499	45	97
4.	1398	ICBC – H Shares	Financials	8,388	7,475	0.6%	(1,274)	- -	339
5.	17	New World Development Co. Ltd.	Properties & Construction	5,702	7,037	0.5%	1,139	635	470
6.	3988	Bank of China Limited – H Shares	Financials	6,556	6,294	0.5%	(1,167)	- -	337
7.	386	China Petroleum & Chemical Corporation – H share	Energy	6,789	5,881	0.4%	(953)	350	187
8.	12	Henderson Land Development Company Limited	Properties & Construction	3,085	5,118	0.4%	353	- -	166
		Others (note (1))		8,502	4,419	0.3%	(235)	496	116
		Total		81,870	80,324	6.0%	(4,353)	1,580	3,592

Note (1): Other securities included three stocks listed in Hong Kong, one of which was current constituents of Hang Seng Index and its principal business is financials. The market value for each individual stock was less than 5% of the market value of the Group's trading securities portfolio.

Note (2): The Group held less than 1% interest of issued share capital for each underlying company.

Liquidity and financial resources

As at 31 March 2019, the Group's total bank borrowings were HK$20,525,200 which were wholly repayable within 2 years (2018: HK$22,454,800 which were wholly repayable within 5 years) based on the initial terms thereunder. Subsequent to the reporting period, the bank agreed to re-finance the existing bank loans which would be wholly repayable in 5 years. All of the Group's bank borrowings are at floating interest rates. The Group's gearing ratio, which was taken as bank borrowings to total shareholders' equity, decreased from 1.9% to 1.6%. The Group also had banking credit facilities of HK$50,000,000 which had not been utilized. The Group's banking facilities are subject to review annually and will be due for re-negotiation in April 2020. During the past year, the Group diligently monitored its compliance with the lending bank's covenants on loan-to-security value ratio.

As at 31 March 2019, the Group held an amount of HK$518,167,105 in cash (2018: HK$462,390,765). Subsequent to the reporting period, the Group paid the stamp duty and deposit amounting to HK$123,000,000 and HK$41,000,000 in relation to the FTS Acquisition respectively. The management is in negotiation with the banks for new credit line for the FTS Acquisition and related development expenditure. The management of the Company continues to operate under a prudent financial policy and will implement all necessary measures to ensure that the Group maintains adequate cash and appropriate credit facilities to meet its future operating and project development expenditure (not limited to FTS Acquisition and its related development expenditure) and loan repayment obligations. In the long run, the Group will continue to adopt an optimum financial structure for the best interests of its shareholders in light of changes in economic conditions.

Assets pledged

As at 31 March 2019, the Group's investment properties with an aggregate carrying value of HK$332,400,000 (2018: HK$212,700,000) were pledged to a bank to secure general banking facilities granted to the Group.

PROSPECTS

Completion of the acquisition of the 66 MTC Property in June 2018 has enhanced the completeness of the MTC Project. The Board expects 60-66 MTC Property will be in vacant possession in late September 2019. The Board plans to demolish the building in second half of financial year 2019/20. Subsequently, the annual rental would be further reduced by HK$2 million (or 11% of annual rental income in the current year). The Board expects stamp duty of HK$17,407,000 to be claimed back in future under the exemption to payment of buyer's stamp duty ("BSD") and ad valorem stamp duty ("AVD").

On 9 May 2019, Wing Tai Investment Limited, a wholly-owned subsidiary of the Company, entered into a Provisional Agreement in relation to the FTS acquisition at a purchase price of HK$410,000,000. Should the FTS Acquisition be approved by the shareholders of the Company in the forthcoming EGM, the FTS Acquisition will be completed on 10 September 2019. The Group will prioritize FTS project and immediately arrange the preparation work on the foundation work and other relevant preparation works.

The Hong Kong Government has implemented tightened measures to cool down the residential market. In 2018 Policy, the Government has proposed land reclamation in Lantau Island in order to increase the supply of land. It also proposed cooperation with the private enterprise in residential sector. The Group will monitor the latest land development policy of the Hong Kong Government.

PROSPECTS (Cont'd)

The worldwide economic environment is full of uncertainty. Trade war between US and China has been ongoing since June 2018, and unfavorably affects the trading index in China. The longer the period they take to negotiate with each other, the more volatile in the securities market and uncertainty in economic environment remain. Brexit process also creates volatility in the securities market. The Group will keep a close watch of market changes and make appropriate strategic adjustments to the Group's assets portfolio in order to maximize the returns to shareholders of the Company. The Group will keep its current business strategy plan for identifying high yield property investments and at the same time evaluate and balance the risk and return for each potential investment.

By Order of the Board

Ng Tai Wai
Chairman

Hong Kong, 26 June 2019

As at the date of this announcement, the executive directors of the Company are Mr. Ng Tai Wai and Mr. Ng Tai Yin Victor, the non-executive directors are Mr. So Kwok Leung, Mr. So Kwok Wai, Benjamin and Ms. Ng Kwok Fun; the independent non-executive directors are Dr. Ng Chi Yeung, Simon, Ms. Chan Suit Fei, Esther and Mr. Heng Pei Neng, Roy.