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# DINGYI GROUP INVESTMENT LIMITED
# 鼎億集團投資有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 508)**

## ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2019

## RESULTS

The board (the "**Board**") of directors (the "**Directors**") of DINGYI GROUP INVESTMENT LIMITED (the "**Company**") hereby announces the audited consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the year ended 31 March 2019, together with the comparative figures for the year ended 31 March 2018:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*FOR THE YEAR ENDED 31 MARCH 2019*

| | *NOTES* | **2019** *HK$'000* | 2018 *HK$'000* |
|---|---|---|---|
| Revenue | *3* | **270,882** | 667,950 |
| Cost of sales | | **(46,640)** | (520,908) |
| Gross profit | | **224,242** | 147,042 |
| Other income | *5* | **1,572** | 54,901 |
| Gain on disposal of subsidiaries | | **6,963** | 10,331 |
| Share of losses of associates | | – | (89) |
| Loss on early redemption of convertible bonds | | – | (34,838) |
| Loss on disposal of financial assets at fair value through profit or loss / held for trading investments | | **(6,753)** | (6,943) |
| Loss arising from financial assets at fair value through profit or loss / held for trading investments | | **(49,687)** | (29,941) |
| (Loss) gain arising from derivative financial assets | | **(107,214)** | 90,185 |
| Loss arising from derivative financial liabilities | | – | (96,575) |
| Impairment loss on available-for-sale financial assets | | – | (6,059) |
| Selling and distribution costs | | **(5,190)** | (4,535) |
| General and administrative expenses | | **(78,196)** | (210,234) |
| Finance costs | *6* | **(159,466)** | (112,803) |

| | NOTES | 2019 HK$'000 | 2018 HK$'000 |
|---|---|---|---|
| Loss before tax | 7 | **(173,729)** | (199,558) |
| Income tax expenses | 8 | **(38,779)** | (22,076) |
| Loss for the year | | **(212,508)** | (221,634) |
| **Loss for the year attributable to:** | | | |
| The owners of the Company | | **(212,508)** | (221,629) |
| Non-controlling interests | | – | (5) |
| | | **(212,508)** | (221,634) |
| **Loss per share** | | | |
| Basic and diluted (HK cents) | 10 | **(3.00)** | (3.79) |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*FOR THE YEAR ENDED 31 MARCH 2019*

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Loss for the year** | **(212,508)** | (221,634) |
| **Other comprehensive (expense) income for the year** | | |
| *Items that may be reclassified subsequently to profit or loss:* | | |
| Exchange difference arising on translating foreign operations | **(139,352)** | 102,148 |
| Reclassification adjustments for the cumulative exchange difference included in profit or loss upon disposal of foreign operations | **121** | – |
| Total comprehensive expense for the year | **(351,739)** | (119,486) |
| **Total comprehensive expense for the year attributable to:** | | |
| The owners of the Company | **(351,739)** | (119,481) |
| Non-controlling interests | **–** | (5) |
| | **(351,739)** | (119,486) |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*AS AT 31 MARCH 2019*

| | NOTES | 2019<br>HK$'000 | 2018<br>HK$'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Investment property and investment property under construction | | **17,302** | 19,524 |
| Property, plant and equipment | | **22,352** | 29,921 |
| Available-for-sale financial assets | | – | 65,807 |
| Non-current prepayments and deposits | 11 | **4,528** | 1,721 |
| Prepaid lease payments | 12 | **2,576** | 2,829 |
| | | **46,758** | 119,802 |
| **Current assets** | | | |
| Inventories | | **7,489** | 7,637 |
| Prepaid lease payments | 12 | **70** | 75 |
| Properties under development | 13 | **398,666** | 131,843 |
| Completed properties held for sale | 14 | **129,387** | 187,733 |
| Other receivables, prepayments and deposits | 11 | **21,510** | 476,323 |
| Loan and interest receivables | 15 | **2,151,463** | 1,546,227 |
| Finance lease receivables | | – | 97,468 |
| Financial assets at fair value through profit or loss | | **35,638** | – |
| Held for trading investments | | – | 63,035 |
| Derivative financial instruments | | **6,060** | 142,216 |
| Cash and cash equivalents | | **29,844** | 283,017 |
| | | **2,780,127** | 2,935,574 |
| **Current liabilities** | | | |
| Margin loans payable | | – | 12,357 |
| Trade and other payables | 16 | **96,949** | 143,613 |
| Contract liabilities | 16 | **18,809** | – |
| Amounts due to related companies | | **7,211** | 1,773 |
| Amount due to a director | | **20,496** | 772 |
| Tax payables | | **61,004** | 33,054 |
| Convertible bonds | | **278,238** | – |
| | | **482,707** | 191,569 |
| **Net current assets** | | **2,297,420** | 2,744,005 |
| **Total assets less current liabilities** | | **2,344,178** | 2,863,807 |

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*AS AT 31 MARCH 2019*

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| **Capital and reserves** | | |
| Share capital | **73,281** | 69,440 |
| Reserves | **1,458,097** | 1,539,185 |
| Equity attributable to the owners of the Company | **1,531,378** | 1,608,625 |
| Non-controlling interests | **–** | (17) |
| **Total equity** | **1,531,378** | 1,608,608 |
| **Non-current liabilities** | | |
| Convertible bonds | **807,842** | 1,252,995 |
| Deferred tax liabilities | **4,958** | 2,204 |
| | **812,800** | 1,255,199 |
| | **2,344,178** | 2,863,807 |

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*FOR THE YEAR ENDED 31 MARCH 2019*

## 1. GENERAL INFORMATION

Dingyi Group Investment Limited (the "Company") was incorporated in Bermuda with limited liability and its shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information to the annual report.

The directors of the Company regard Wincon Capital Investment Limited ("Wincon Capital"), a private limited liability company incorporated in the British Virgin Islands, as the immediate and ultimate holding company of the Company.

The principal activities of the Company are investment holding. The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in sale of food and beverages, loan financing, financial leasing, securities trading and properties development.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company. Other than those subsidiaries established in the People's Republic of China (the "PRC"), whose functional currency is Renminbi ("RMB"), the functional currency of its subsidiaries is HK$.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and amendments to HKFRSs, which include HKFRSs, Hong Kong Accounting Standards ("HKAS(s)"), amendments and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

| | |
|---|---|
| HKFRS 9 | Financial Instruments |
| HKFRS 15 | Revenue from Contracts with Customers and related Amendments |
| Amendments to HKFRS 2 | Classification and Measurement of Share-based Payment Transactions |
| Amendments to HKFRS 4 | Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts |
| Amendments to HKAS 28 | As part of Annual Improvements to HKFRSs 2014-2016 Cycle |
| Amendments to HKAS 40 | Transfers of Investment Property |
| HK(IFRIC)-Interpretation 22 | Foreign Currency Transactions and Advance Consideration |

The impact of the adoption of HKFRS 9 Financial Instruments and HKFRS 15 Revenue from Contracts with Customers have been summarised below. The application of other new and amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

**HKFRS 15 Revenue from Contracts with Customers**

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 11 Construction Contracts, HKAS 18 Revenue and the related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard established a five-step model for determining whether, how much and when revenue is recognised. The Group has elected to adopt the modified retrospective approach for contracts with customers that are not completed as at the date of initial application (i.e. 1 April 2018) with the cumulative effect of initially applying HKFRS 15 as an adjustment to the opening balance of accumulated losses and comparative information is not restated. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 Revenue. Details are described below.

The impact of transition to HKFRS 15 was insignificant on the accumulated losses at 1 April 2018. The amount of adjustment for each financial statement line item of the consolidated statement of financial position at 1 April 2018 affected by the application of HKFRS 15 is illustrated below. Line items that were not affected by the changes have not been included.

| | Trade and other payables | Contract liabilities |
|---|---|---|
| | *HK$'000* | *HK$'000* |
| Carrying amount previously reported at 31 March 2018, as originally stated | 143,613 | – |
| Impact on adoption of HKFRS 15 – Reclassification | (41,760) | 41,760 |
| Carrying amount as restated (before adoption of HKFRS 9) at 1 April 2018 | 101,853 | 41,760 |

The Group receives advances from customers upon signing the contracts in respect of properties development business and food and beverages business. As such, at 1 April 2018, the carrying amount of advance payment from customers of approximately HK$41,760,000 was reclassified to contract liabilities.

Before the adoption of HKFRS 15, the Group presented these advance as receipts in advance, which are previously included in trade and other payable in the consolidated statement of financial position. Upon the adoption of HKFRS 15, the Group assessed whether there is a significant financing component for the contracts where the length of time between the customer's advance payment taking into account the prevailing interest rate, and where appropriate adjusted the transaction price at contract inception.

Since the period between payments and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component and the transfer of goods is more than one year.

**Disclosure of the estimated impact on the amounts reported in respect of the year ended 31 March 2019 as a result of the adoption of HKFRS 15 on 1 April 2018**

The following table summarises the estimated impact of applying HKFRS 15 on the consolidated statement of financial position at 31 March 2019, by comparing the amounts reported under HKAS 18 that were in effect before the change. Line items that were not affected by the adjustments have not been included. The adoption of HKFRS 15 did not have material impact on the Group's financial performance as well as operating, investing and financing cash flows. Impact on the consolidated statement of financial position at 31 March 2019 is as follows:

| | Trade and other payables | Contract liabilities |
|---|---|---|
| | *HK$'000* | *HK$'000* |
| At 31 March 2019, as reported | 96,949 | 18,809 |
| Impact on adoption of HKFRS 15 | 18,809 | (18,809) |
| At 31 March 2019 without adoption of HKFRS 15 | 115,758 | – |

**HKFRS 9 Financial instruments**

HKFRS 9 replaces the provisions of HKAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting. The Group has applied HKFRS 9 retrospectively to financial instruments that have not been derecognised at the date of initial application (i.e. 1 April 2018) in accordance with the transition provisions under HKFRS 9, and chosen not to restate comparative information. Differences in the carrying amounts of financial assets on initial application are recognised in accumulated losses as at 1 April 2018.

**Classification and measurement of financial instruments**

The directors of the Company reviewed and assessed the Group's existing financial assets as at 1 April 2018 based on the facts and circumstances that existed at that date and concluded that the initial application of HKFRS 9 has had the following impact on the Group's financial assets as regards their classification and measurement:

*Equity investments previously classified as available-for-sale investments carried at fair value*

For the available-for-sale equity securities carried at fair value amounting to HK$65,807,000, the Group has not elected the option for designation at fair value through other comprehensive income ("**FVTOCI**") and reclassified them to financial assets at fair value through profit or loss ("**FVTPL**"). The Group measures it at fair value at the end of subsequent reporting periods with fair value gains or losses to be recognised in profit or loss. There was no material change in fair value as at 1 April 2018 as a result of the change in classification.

*Equity investments previously classified as held for trading investments caused at fair value.*

The Group's equity investments amounting to approximately HK$63,035,000 are required to be classified as FVTPL under HKFRS 9.

All financial liabilities measured at amortised cost under HKAS 39 continued to be measured at amortised cost under HKFRS 9.

**Loss allowance for expected credit losses ("ECL")**

The adoption of HKFRS 9 has changed the Group's accounting for impairment losses for financial assets by replacing HKAS 39's incurred loss model with a forward-looking ECL model. As at 1 April 2018, the directors of the Company reviewed and assessed the Group's existing financial assets and other items subject to ECL for impairment using reasonable and supportable information that is available without undue cost or effort in accordance with the requirements of HKFRS 9.

As at 1 April 2018, no additional allowance on the Group's financial assets have been recognised.

**Summary of effects arising from initial application of HKFRS 9**

The table below summarises the original measurement categories under HKAS 39 and the new measurement categories under HKFRS 9 for certain class of the Group's financial assets and reconciles the carrying amounts of financial assets under HKAS 39 to the carrying amounts under HKFRS 9 on 1 April 2018.

| | **Carrying amount at 31 March 2018 (HKAS 39)** | **Adoption of HKFRS 9 Reclassification** | **Carrying amount at 1 April 2018 (HKFRS 9)*** |
|---|---|---|---|
| | *HK$'000* | *HK$'000* | *HK$'000* |
| <u>**Financial assets**</u> | | | |
| **Loan and receivable** | | | |
| – Deposit and other receivables | 340,569 | (340,569) | – |
| – Loan and interest receivables | 1,546,227 | (1,546,227) | – |
| – Finance lease receivable | 97,468 | (97,468) | – |
| – Cash and cash equivalents | 283,017 | (283,017) | – |
| **At amortised cost** | | | |
| – Deposit and other receivables | – | 340,569 | 340,569 |
| – Loan and interest receivables | – | 1,546,227 | 1,546,227 |
| – Finance lease receivable | – | 97,468 | 97,468 |
| – Cash and cash equivalents | – | 283,017 | 283,017 |
| **Available-for-sale ("AFS") investments (at fair value)** | | | |
| – Listed equity securities | 65,807 | (65,807) | – |
| **Financial assets at fair value through profit or loss ("FVTPL")** | | | |
| – Listed equity securities | 63,035 | 65,807 | 128,842 |

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

| | |
|---|---|
| HKFRS 16 | Leases[1] |
| HKFRS 17 | Insurance Contracts[2] |
| Amendments to HKFRS 3 | Definition of a Business[4] |
| Amendments to HKFRS 9 | Prepayment Features with Negative Compensation[1] |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3] |
| Amendments to HKAS 1 and HKAS 8 | Definition of Material[5] |
| Amendments to HKAS 19 | Employee Benefits[1] |
| Amendments to HKAS 28 | Long-term Interests in Associates and Joint Ventures[1] |
| HKFRIC-Interpretation 23 | Uncertainty over Income Tax Treatments[1] |
| Amendments to HKFRS | Annual Improvements to HKFRSs 2015-2017 Cycle[1] |

1 Effective for annual periods beginning on or after 1 January 2019.

2 Effective for annual periods beginning on or after 1 January 2021.

3 Effective date not yet been determined.

4 Effective for business combinations and assets acquisitions for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

5 Effective for annual periods beginning on or after 1 January 2020.

## 3. REVENUE

Revenue represents the amount received and receivable arising from sales of food and beverages, loan financing, financial leasing, securities trading and properties development. An analysis of the Group's revenue is as follows:

| | **31/3/2019** | 31/3/2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Revenue from contracts with customer within the scope of HKFRS 15 for the year ended 31 March 2019 | | |
| Disaggregated by major products lines | | |
| Sales of food and beverages | **2,548** | 2,617 |
| Sales of properties | **107,957** | 572,234 |
| Revenue from other sources | | |
| Financial leasing income | **–** | 35 |
| Dividend income | **124** | 5,479 |
| Interest income from provision of loan financing services | **160,253** | 87,585 |
| | **270,882** | 667,950 |

The Group initially applied HKFRS 15 using the cumulative effect method. Under this method, the comparative information is not restated and was prepared in accordance with HKAS 18 (see note 2).

## 4. SEGMENT INFORMATION

Information reported to the board of directors, being the chief operating decision maker ("CODM"), for the purpose of resources allocation and assessment of segment performance focuses on types of goods delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

During the year, the Group redefined its business divisions to align with the Group's operation development. Accordingly, the segment information of certain subsidiaries previously included in trading of wine business and finance leasing business has been reclassified to "others business" segment. Accordingly, certain comparative operating segment information has been reclassified to conform with current year's presentation.

Specifically, the Group's reportable segments are as follows:

(i) Securities trading business;
(ii) Food and beverages-restaurant business;
(iii) Loan financing business;
(iv) Properties development business; and
(v) Other business.

**Segment revenue and results**

The following is an analysis of the Group's revenue and results by reportable and operating segment:

**Year ended 31 March 2019**

| | Securities trading business | Food and beverages-restaurant business | Loan financing business | Properties development business | Other business | Total |
|---|---|---|---|---|---|---|
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| **Revenue** | | | | | | |
| External revenue | 124 | 2,548 | 160,253 | 107,957 | – | 270,882 |
| Loss on disposal of financial assets at fair value through profit or loss | (6,753) | – | – | – | – | (6,753) |
| Loss arising from financial assets at fair value through profit or loss | (49,687) | – | – | – | – | (49,687) |
| **Segment (loss) profit** | (56,316) | (1,720) | 157,173 | 18,930 | – | 118,067 |
| Bank interest income | | | | | | 237 |
| Gain on disposal of subsidiaries | | | | | | 6,963 |
| Finance costs | | | | | | (159,466) |
| Loss arising from derivate financial assets | | | | | | (107,214) |
| Unallocated corporate income | | | | | | 1,335 |
| Unallocated corporate expenses | | | | | | (33,651) |
| Loss before tax | | | | | | (173,729) |

**Year ended 31 March 2018 (Restated)**

| | Securities trading business | Food and beverages-restaurant business | Loan financing business | Properties development business | Other business | Total |
|---|---|---|---|---|---|---|
| | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* | *HK$'000* |
| **Revenue** | | | | | | |
| External revenue | 5,479 | 2,617 | 87,585 | 572,234 | 35 | 667,950 |
| Loss on disposal of held for trading investments | (6,943) | – | – | – | – | (6,943) |
| Loss arising from changes in fair value of held for trading investments | (29,941) | – | – | – | – | (29,941) |
| **Segment (loss) profit** | (37,464) | (1,416) | 83,794 | 42,674 | 35 | 87,623 |
| Bank interest income | | | | | | 498 |
| Gain on disposal of subsidiaries | | | | | | 10,331 |
| Finance costs | | | | | | (112,803) |
| Gain arising from derivate financial assets | | | | | | 90,185 |
| Loss arising from derivate financial liabilities | | | | | | (96,575) |
| Loss on early redemption of convertible bonds | | | | | | (34,838) |
| Shares of losses of associates | | | | | | (89) |
| Share-based payments expenses | | | | | | (118,400) |
| Unallocated corporate income | | | | | | 54,403 |
| Unallocated corporate expenses | | | | | | (79,893) |
| Loss before tax | | | | | | (199,558) |

Segment profit/loss represents the profit earned by/loss from each segment without allocation of other income, gain on disposal of subsidiaries, finance cost, certain central administration expenses, gain or loss arising from changes in fair value of derivative financial assets and financial liabilities, loss on early redemption of convertible bonds and shares of losses of associates. This is the measure reported to the CODM for the purposes of resources allocation and performance assessment.

**Segment assets and liabilities**

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| | | (restated) |
| **Segment assets** | | |
| Securities trading business | **35,638** | 63,035 |
| Food and beverages – restaurant business | **322** | 608 |
| Loan financing business | **2,151,463** | 1,546,227 |
| Properties development business | **581,561** | 516,597 |
| Other business | **7,250** | 104,718 |
| Total segment assets | **2,776,234** | 2,231,185 |
| Unallocated corporate assets | **50,651** | 824,191 |
| **Total consolidated assets** | **2,826,885** | 3,055,376 |
| **Segment liabilities** | | |
| Securities trading business | **–** | 12,357 |
| Food and beverages – restaurant business | **3,806** | 4,222 |
| Loan financing business | **–** | – |
| Properties development business | **17,102** | 41,992 |
| Other business | **–** | – |
| Total segment liabilities | **20,908** | 58,571 |
| Unallocated corporate liabilities | **1,274,599** | 1,388,197 |
| **Total consolidated liabilities** | **1,295,507** | 1,446,768 |

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than certain plant and equipment, certain deposits, prepayments and other receivables, derivative financial instruments and cash and cash equivalents; and

- all liabilities are allocated to operating segments other than certain other payables, tax payables, deferred taxation, amounts due to related companies, amount due to a director and convertible bonds.

## 5. OTHER INCOME

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Bank interest income | **237** | 498 |
| Exchange gain, net | **–** | 45,287 |
| Rental income from investment property *(note i)* | **276** | 88 |
| Consulting service income | **–** | 7,812 |
| Others | **1,059** | 1,216 |
| | **1,572** | 54,901 |

*Note:*

(i) The gross and net rental income from investment property for the year ended 31 March 2019 was amounted to HK$276,000 (2018: HK$88,000).

## 6. FINANCE COSTS

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Interest on margin loans payable | **166** | 2,673 |
| Effective interest expenses on convertible bonds | **159,300** | 109,911 |
| Interest on bank borrowings | **–** | 219 |
| | **159,466** | 112,803 |

## 7. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Directors' and chief executive's emoluments | **8,224** | 11,450 |
| Other staff costs (excluding directors' and chief executive's emoluments) | **17,164** | 10,559 |
| Retirement benefit scheme contribution (excluding directors' and chief executive's emoluments) | **450** | 478 |
| Total staff costs | **25,838** | 22,487 |
| Amount of inventories recognised as an expense | **46,640** | 520,908 |
| Auditors' remuneration | **1,800** | 2,000 |
| Amortisation of prepaid lease payments | **70** | 71 |
| Depreciation of property, plant and equipment | **6,015** | 6,503 |
| Depreciation of investment property | **951** | 843 |
| Operating lease payments in respect of rented premises under minimum lease payments | **18,950** | 20,448 |
| Net exchange losses | **4,563** | – |
| Share-based payments expenses granted to consultants *(note)* | **–** | 118,400 |
| Written off of property, plant and equipment | **18** | – |

*Note:* It represents share options granted to external consultants in exchange for services rendered to the Group.

## 8. INCOME TAX EXPENSES

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Current income tax | | |
| Hong Kong | – | 94 |
| The PRC Enterprise Income Tax ("EIT") | **35,892** | 17,965 |
| The PRC LAT | – | 333 |
| | **35,892** | 18,392 |
| Over-provision in prior years | | |
| Hong Kong | – | (169) |
| | – | (169) |
| Deferred tax | **2,887** | 3,853 |
| Income tax expenses | **38,779** | 22,076 |

(i) On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK$2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. Since group entities are not qualifying for the two-tiered profits tax rates regime, Hong Kong Profits tax was calculated at a flat rate of 16.5% of the estimated assessable profits (2018: 16.5%).

(ii) Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

(iii) Pursuant to the laws and regulations of the British Virgin Islands (the "BVI") and Bermuda, the Group is not subject to any income tax in the BVI and Bermuda.

(iv) Overseas profits tax, the USA taxation which was calculated based on the rates applicable in the relevant jurisdiction on the estimated assessable profits. No provision of overseas profits tax has been made, as the Group did not have any assessable profits subject to overseas profits tax for both years.

(v) Land appreciation tax in the PRC is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% (2018: ranging from 30% to 60%) on the appreciation of land value, which under the applicable regulations, is calculated based on the proceeds of sales of properties less deductible expenditures including cost of land use rights and all properties development expenditures.

## 9. DIVIDENDS

No dividend was paid or proposed during the year ended 31 March 2019, nor has any dividend been proposed since the end of the reporting period (2018: nil).

## 10. LOSS PER SHARE

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

| | **2019** | 2018 |
|---|---|---|
| **Loss** | ***HK$'000*** | *HK$'000* |
| Loss for the year attributable to the owners of the Company | **212,508** | 221,629 |
| **Number of shares** | | |
| | ***'000*** | *'000* |
| Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | 7,092,359 | 5,851,539 |

The computation of diluted loss per share does not assume the conversion or exercise of the Company's outstanding convertible bonds, share options and call option from issuance of convertible bonds since they would result in decrease in loss per share for both years.

The dilutive loss per share for the years ended 31 March 2019 and 2018 are the same since the computation of diluted loss per share does not assume the conversion or exercise of the Company's outstanding convertible bonds and share options and call option from issuance of convertible bonds as they would result in decrease in loss per shares.

## 11. OTHER RECEIVABLES AND DEPOSITS

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Prepayments | **3,185** | 137,475 |
| Deposits paid | **19,004** | 23,594 |
| Other receivables | **3,677** | 4,725 |
| Consideration receivables | **172** | 312,250 |
| | **26,038** | 478,044 |
| Analysed for reporting purposes: | | |
| Non-current assets | **4,528** | 1,721 |
| Current assets | **21,510** | 476,323 |
| | **26,038** | 478,044 |

## 12. PREPAID LEASE PAYMENTS

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Leasehold land held under medium-term lease in the PRC and are analysed for reporting purposes as follows: | | |
| Current asset | **70** | 75 |
| Non-current asset | **2,576** | 2,829 |
| | **2,646** | 2,904 |

## 13. PROPERTIES UNDER DEVELOPMENT

| | *HK$'000* |
|---|---|
| At 1 April 2017 | 118,660 |
| Additions | 265 |
| Exchange difference | 12,918 |
| At 31 March 2018 and 1 April 2018 | 131,843 |
| Additions | 274,464 |
| Exchange difference | (7,641) |
| At 31 March 2019 | 398,666 |

Properties under development are classified as current assets as the construction period of the relevant properties development project is expected to be completed in the normal operating cycle.

## 14. COMPLETED PROPERTIES HELD FOR SALE

The Group's completed properties held for sale are situated on a leasehold land in the PRC. All the completed properties held for sale are stated at lower of cost and net realisable value.

## 15. LOAN AND INTEREST RECEIVABLES

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Loan receivables | **2,009,816** | 1,532,970 |
| Interest receivables | **141,647** | 13,257 |
| | **2,151,463** | 1,546,227 |

The following is an ageing analysis of loan and interest receivables, presented based on the loan drawn down date and interests accrued at the end of the reporting period:

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Within 90 days | **522,357** | 489,556 |
| 91 days to 180 days | **1,274,485** | 232,031 |
| 181 days to 365 days | **246,758** | 569,350 |
| Over 365 days | **107,863** | 255,290 |
| | **2,151,463** | 1,546,227 |

## 16. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES

| | **31 March 2019** | 1 April 2018 | 31 March 2018 |
|---|---|---|---|
| | ***HK$'000*** | *HK$'000* | *HK$'000* |
| Trade payables | **2,099** | 4,430 | 4,430 |
| Receipts in advance | **–** | – | 41,760 |
| Accrual | **54,620** | 60,743 | 60,743 |
| Other payable *(Note)* | **40,230** | 36,680 | 36,680 |
| | **96,949** | 101,853 | 143,613 |
| Contract liabilities | **18,809** | 41,760 | – |

*Note:* Included in other payables was an amount of approximately HK$6,240,000 (2018: HK$6,240,000) which represented the consideration payable to the non-controlling interests in respect of the acquisition of the remaining 37.5% of issued share capital of a subsidiary on 11 January 2016. The amount is unsecured, interest-free and repayable on demand.

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period.

| | **2019** | 2018 |
|---|---|---|
| | ***HK$'000*** | *HK$'000* |
| Within 30 days | **–** | – |
| 31 to 60 days | **–** | 336 |
| 61 to 90 days | **–** | – |
| Over 181 days | **2,099** | 4,094 |
| | **2,099** | 4,430 |

The average credit term on purchase of goods is 60-180 days (2018: 60-180 days). The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

## DIVIDEND

The Board has resolved not to recommend any final dividend for the year ended 31 March 2019 (2018: nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

The Group is principally engaged in sale of food and beverages, loan financing, financial leasing, securities trading and properties development.

The Group's revenue from its continuing operations for the year amounted to approximately HK$271 million or HK$397 million less than that for the previous year. There was a loss for the year attributable to the Company's owners of approximately HK$213 million (2018: HK$222 million) which included a fair value loss on derivative financial assets amounted to approximately HK$107 million (2018: gain of HK$90 million). There was no loss on early redemption of convertible bonds (2018: approximately HK$35 million) and no fair value loss on derivative financial liabilities (2018: approximately HK$97 million) during the year.

The basic and diluted loss per share was HK3.00 cents, as compared with loss per share of HK3.79 cents last year.

### Securities Trading

During the year, the Group has been involved in the securities trading business. The Group had realised loss on the disposal of these listed securities investments amounting to approximately HK$7 million (2018: HK$7 million) during the year. The Group recorded a loss of approximately HK$50 million (2018: HK$30 million) arising from changes in the fair value of the listed securities shares. As a result, the Group reported a segment loss of approximately HK$56 million (2018: HK$37 million) during the year. Going forward, the Group expects that the future performance of the listed securities investments held by the Group will be volatile and substantially affected by overall economic environment, equity market conditions, investor sentiment and the business performance and development of the investee companies. The Board will closely monitor the performance progress of the investment portfolio from time to time.

As at 31 March 2019, there was no investment held by the Group which value was more than 5% of the total assets of the Group.

**Loan Financing**

During the year, the Group recorded a revenue of approximately HK$160 million (2018: HK$88 million) from loan financing segment and the segment profit was approximately HK$157 million (2018: HK$84 million). The Group will further develop this segment in order to earn a higher interest income.

**Properties Development**

During the year, the Group recorded a revenue of approximately HK$108 million (2018: HK$572 million) and segment profit of approximately HK$19 million (2018: HK$43 million). The decrease in revenue was mainly because the number of residents units available for sales was almost sold out during the year. The Group anticipates further revenue and positive results from this segment in the future upon completion of properties under development and the sales of completed properties.

**Financial Leasing**

During the year, the Group did not record any revenue on financial leasing. The Group will seek for more opportunities in this segment.

**Food and Beverages**

The food and beverages segment generated a revenue of approximately HK$3 million during the year (2018: HK$3 million). The segment reported a loss of approximately HK$2 million (2018: HK$1 million). The loss was contributed by the restaurant in Beijing, PRC.

**Trading of Wine**

The Group has kept certain quantities of fine wines. The stocks will be offered to sell when the market prices are favorable such that the Group can obtain a good return on the trading. At present, the stocks are kept in the wine cellar situated in Hong Kong.

**Capital Structure**

As at 31 March 2019, the total number of issued shares of the Company was 7,328,060,715 (31 March 2018: 7,002,772,481) of HK$0.01 each (the "**Shares**") and its issued share capital was HK$73,280,607 (31 March 2018: HK$70,027,725). During the year, the details of changes of the capital structure of the Company were set out below:

(i) On 12 April 2018, the rights attaching to the convertible bonds to subscribe 152,941,176 Shares at conversion price of HK$0.85 per conversion share were exercised and these 152,941,176 Shares were allotted and issued on 13 April 2018.

(ii) On 12 April 2018, a total of 2,375,000 share options were exercised at an exercise price of HK$0.375 per Share and these 2,375,000 Shares were allotted and issued on 20 April 2018.

(iii) On 16 April 2018, a total of 6,325,000 share options were exercised at an exercise price of HK$0.375 per Share and these 6,325,000 Shares were allotted and issued on 20 April 2018.

(iv) On 17 April 2018, a total of 1,000,000 share options were exercised at an exercise price of HK$0.375 per Share and these 1,000,000 Shares were alloted and issued on 20 April 2018.

(v) On 29 October 2018, a total of 82,000,000 repurchased Shares were cancelled.

(vi) On 12 November 2018, a total of 2,000,000 share options were exercised at an exercise price of HK$0.477 per Share and these 2,000,000 Shares were allotted and issued on 27 November 2018,

(vii) On 13 March 2019, the rights attaching to the convertible bonds to subscribe 242,647,058 Shares at conversion price of HK$0.85 per conversion share were exercised and these 242,647,058 Shares were allotted and issued on 21 March 2019.

Save as disclosed above, there was no change in the capital structure of the Company during the year under review.

## EVENTS AFTER REPORTING PERIOD

1) On 11 April 2019, the Company granted 716,300,000 share options to eligible participants of the Group. Among these share options granted, the share options in respect of a total of 107,000,000 were granted to the directors.

2) On 23 April 2019, 鼎億金匯(深圳)投資諮詢有限公司 (Dingyi Jinhui (Shenzhen) Investment Consultancy Co., Ltd*) ("**Jinhui**"), an indirect wholly-owned subsidiary of the Company, entered into a non-legally binding framework agreement ("**Framework Agreement I**") with 深圳微言科技有限責任公司 (Shenzhen Weiyan Technology Co., Ltd*) ("**Weiyan**") in relation to a strategic cooperation to be implemented through a series of transactions, including Jinhui's proposed strategic investment in, and joint venture with, Weiyan as further detailed below.

   Pursuant to the Framework Agreement I, Jinhui will (1) subscribe an aggregate of 8.99% of the enlarged share capital of Weiyan with an aggregate subscription price of RMB78,000,000 in phases ("**Strategic Investment**"); and (2) establish a joint venture entity ("**Joint Venture Entity I**") with Weiyan in connection with the provision of innovative technology-oriented retail finance solutions to clients in the PRC upon completion of the Strategic Investment. The Joint Venture Entity I will be owned as to 60% by Weiyan and 40% by Jinhui (or its designated affiliate). In addition, it has been agreed that upon completion of the Strategic Investment, Weiyan will also grant an option to Jinhui to subscribe for additional new shares of Weiyan which represents 10.0% of the enlarged share capital of Weiyan upon completion of the Strategic Investment at a price of RMB88,000,000. For details, please refer to the announcement of the Company dated 23 April 2019.

3) On 23 May 2019, the rights attaching to the convertible bonds to subscribe 25,000,000 Shares at conversion price of HK$0.8 per conversion share were converted and these 25,000,000 Shares were allotted and issued on 29 May 2019.

4) On 28 May 2019 (after trading hours), the Company entered into the non-legally binding framework agreement ("**Framework Agreement II**") with 神州聯合能源控股(北京)有限公司 (China United Energy Holding Co., Ltd.*) ("**CHUEH**") and Stillwater Investment Limited ("**Stillwater**", together with the Company and CHUEH, collectively, the "**JV Parties**") in relation to the proposed establishment of the joint venture company ("**Joint Venture Entity II**") between the Company, CHUEH and Stillwater for the exploration and development of certain oil and gas assets in the Republic of Niger. Pursuant to the Framework Agreement II, the JV Parties will commence strategic cooperation through the establishment of the Joint Venture Entity II in relation to the exploration and development of oil and gas assets in the blocks R5, R6 and R7 located in the Termit Basin in the Republic of Niger. The Joint Venture Entity II will be owned as to 65% by the Company, 20% by Stillwater and 15% by CHUEH (or their respective designated affiliate(s)). For details, please refer to the announcement of the Company dated 28 May 2019.

5) On 30 May 2019, Golden Season International Limited ("**Golden Season**"), an indirect wholly-owned subsidiary of the Company, entered into a subscription agreement with Kore Potash Plc ("**Kore**"), pursuant to which Golden Season agrees to subscribe and Kore agrees to issue a certain number of ordinary shares in Kore for a consideration of USD2.5 million (equivalent to approximately HK$19.6 million). Further information about Kore is disclosed in the sub-section headed "Financial Assets at Fair Value Through Profits or Loss" on page 25 of this announcement.

6) Subsequent change in fair value of the equity securities listed in Hong Kong, Australia and the PRC

   Subsequent to the end of the reporting period, there was a significant decline in the fair value of the equity securities listed in Hong Kong, Australia and the PRC. The total unrealised loss arising from changes in fair value is approximately HK$10,000,000 at report date.

**Strategy and Outlook**

The Company has been selected as a constituent stock of Hang Seng Global Composite Index and Hang Seng Composite Index and its subdivisions of: Hang Seng Composite SmallCap Index, Hang Seng Composite MidCap & SmallCap Index and Hang Seng Composite Industry Index – Financials, by the Hang Seng Indexes Company Limited, since 4 September 2017. The Company has further been selected as a constituent stock of the following index series by the Hang Seng Indexes Company Limited, with effect on 5 March 2018: Hang Seng Stock Connect Hong Kong Index; Hang Seng Stock Connect Hong Kong MidCap & SmallCap Index; Hang Seng Stock Connect Hong Kong SmallCap Index; Hang Seng SCHK HK Companies Index; and Hang Seng SCHK ex-AH Companies Index. The Hang Seng Stock Connect Hong Kong Index serves as a benchmark to reflect the overall performance of the securities listed in Hong Kong that are eligible for trading via the southbound trading link of Stock Connect. The Company's inclusion in the market benchmark index and Hang Seng Stock Connect Hong Kong Index represents capital market's recognition of the Company, and is expected to expand shareholder base and trading liquidity of the Company, resulting in realization of the value of investment in the Company and enhancement of the Company's reputation in the capital market.

Apart from the existing businesses of securities trading, food and beverages, wine trading, loan financing, properties development and financial leasing, the Group will continue to explore other potential investment opportunities with reasonable returns that meet the Company's criteria. This will not only strengthen our core business but also increase the shareholders' values. The Group has been exploring some investment opportunities in resources and energy projects, properties development, financial technology, pharmaceutical and ocean industry.

## FINANCIAL REVIEW

### Revenue

The Group's revenue decreased from approximately HK$668 million in 2018 to approximately HK$271 million in 2019, mainly because a decrease of revenue in properties development segment, The decrease was due to the number of residents units available for sales was almost sold out during the year.

### Gross Profit

The gross profit increased by approximately HK$77 million, or 52.5%, from approximately HK$147 million in 2018 to approximately HK$224 million in 2019. The gross profit margin increased from approximately 22.0% in 2018 to approximately 82.8% in 2019. The increase was mainly due to the increase in the revenue from loan financing segment which earned a higher gross profit margin.

### Other income

Other income decreased to approximately HK$2 million (2018: HK$55 million) this year mainly due to no exchange gain (2018: approximately HK$45 million) and no consulting service income (2018: approximately HK$8 million) recognised during the year.

### Selling and Distribution Costs and General and Administrative Expenses

Selling and distribution costs maintained at approximately HK$5 million. General and administrative expenses decreased to approximately HK$78 million (2018: HK$210 million) which was mainly due to no one-off share-based payment expenses in 2019 (2018: approximately HK$118 million).

### Property, Plant and Equipment

Property, plant and equipment decreased to approximately HK$22 million in this year (2018: HK$30 million).

**Financial Assets at Fair Value Through Profit or Loss**

Listed securities investments in Hong Kong and PRC significantly decreased from approximately HK$63 million to HK$15 million this year because of the decrease in the portfolio of the listed investments in the securities trading business.

Listed securities investments in Australia decreased from approximately HK$66 million to HK$21 million this year because of the fair value loss.

Kore is a mineral exploration and development company listed on the London Stock Exchange AIM platform, the Australian Stock Exchange, and Johannesburg Stock Exchange. It is currently developing the Sintoukola potash project located in the Republic of Congo.

As at 31 March 2019, the Group holds an aggregate of 75,285,511 shares of Kore, representing approximately 8.75% of the entire issued share capital of Kore.

On 30 May 2019, Golden Season entered into a subscription agreement with Kore, pursuant to which Golden Season agrees to subscribe and Kore agrees to issue a certain number of ordinary shares in Kore for a consideration of USD2.5 million (equivalent to approximately HK$19.6 million).

**Cash and Bank Balances**

Cash and bank balances decreased from approximately HK$283 million in last year to approximately HK$30 million this year mainly due to the increase in cash used in loan financing business.

**Shareholders' Funds and Financial Ratios**

As at 31 March 2019, the Group's net assets attributable to the owners of the Company amounted to approximately HK$1,531 million (2018: HK$1,609 million), a decrease of approximately HK$78 million when compared with that of 2018.

As at 31 March 2019, total debt to equity ratio was 0.71 (2018: 0.78) and net debt to equity ratio was 0.69 (2018: 0.60), which were expressed as a percentage of total convertible bonds and total convertible bonds less cash and cash equivalents respectively, over the total equity of approximately HK$1,531 million (2018: HK$1,609 million).

**Borrowings**

As at 31 March 2019, the Group has no bank borrowings and finance lease obligations.

**Charge on Assets**

As at 31 March 2019, the Group did not have any charge on assets. As at 31 March 2018, the margin loans payable was secured by the listed equity securities placed with a financial institution held under the margin accounts with market value of approximately HK$110,612,000.

**Foreign Exchange Exposure**

Most of the Group's assets are denominated in Hong Kong dollars ("**HKD**"), Renminbi ("**RMB**"), United States dollars ("**USD**") and Australian dollars ("**AUD**"). Considering the exchange rates between these currencies are relatively stable, the Group believed that the corresponding exposure to RMB, USD and AUD exchange rates fluctuation were relatively limited. The Group does not undertake any derivative financial instruments or hedging instruments. The Group will constantly review the economic situation and its foreign currency risk profile, and continues to actively monitor foreign exchange exposure to minimize the impact of any adverse currency movement.

**Contingent Liabilities**

As at 31 March 2019 and 2018, the Group had no contingent liabilities.

**Capital Commitments**

As at 31 March 2019, the Group had capital commitments of approximately HK$4,921,000 (2018: HK$7,284,000).

**Treasury Policies**

The Group adopts conservative treasury policies in cash and financial management. To achieve better risk control and minimize the cost of funds, the Group's treasury activities are centralized. Cash is generally placed in short-term deposits mostly denominated in HKD, USD, RMB or AUD. The Group's liquidity and financing requirements are frequently reviewed. In anticipating new investments, the Group will consider new financing channels while maintaining an appropriate level of gearing.

## EMPLOYEES AND REMUNERATION POLICIES

The Group employed 65 full-time staff (2018: 68) under its subsidiaries globally as at 31 March 2019. Total staff costs amounted to approximately HK$26 million (2018: HK$22 million) for the year ended 31 March 2019. The remuneration policies of the Group are reviewed periodically on the basis of job nature, market trend, company performance and individual performance. Other staff benefits include bonuses awarded on a discretionary basis, retirement schemes and the Share Option Scheme.

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 March 2019, the Company repurchased a total of 23,200,000 Shares of the Company on The Stock Exchange of Hong Kong Limited at an aggregate consideration of approximate HK$16.8 million and 82,000,000 Shares (including a total of 58,800,000 Shares repurchased by the Company during the year ended 31 March 2018) were cancelled during the year ended 31 March 2019.

Particulars of the Shares repurchased are as follows:

| Month | Total number of Shares repurchased | Purchase price paid per Share | | Aggregate consideration |
|---|---|---|---|---|
| | | Highest | Lowest | |
| | *'000* | *HK$* | *HK$* | *HK$'000* |
| **2018** | | | | |
| July | 23,200 | 0.74 | 0.68 | 16,781 |

The Directors consider that the above share repurchases are in the best interest of the Company and its shareholders and that such repurchases would lead to an enhancement of the earnings per share of the Company.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year ended 31 March 2019.

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code (the "**Model Code**") for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules as its code of conduct for securities transactions by Directors.

The Company has made specific enquiries to all the Directors and they have confirmed that they have complied with the required standard set out in the Model Code throughout the year ended 31 March 2019.

## CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance and has introduced corporate governance practices appropriate to the conduct and growth of its business.

The Company's corporate governance practices are based on the principles and the code provisions as set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

In the opinion of the Directors, the Company has complied with all code provisions of the CG Code during the year ended 31 March 2019 except for the deviation disclosed below:

Code provision A.1.3 of the CG Code, notice of at least 14 days should be given of a regular board meeting to all Directors to give all Directors an opportunity to attend. During the year ended 31 March 2019, certain regular Board meetings were convened with less than 14 days' notice to facilitate the Directors' timely reaction and expeditious decision making process in respect of internal affairs of the Group. All Board meetings, nevertheless, were duly convened and held in the way prescribed by the Bye-laws of the Company. The Board will use reasonable endeavour to meet the requirement of code provision A.1.3 of the CG Code in future. Adequate and appropriate information are circulated normally three days in advance of Board meetings to the Directors.

## AUDIT COMMITTEE

The Audit Committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed the audit and financial reporting matters, internal controls, risk management systems of the Group including the review of the audited financial statements of the Group for the year ended 31 March 2019.

## PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The annual results announcement of the Group for the year ended 31 March 2019 is published on the websites of the Stock Exchange at http://www.hkexnews.hk and the Company at http://www.dingyi.hk. The annual report of the Company for the year ended 31 March 2019 containing all applicable information required by the Listing Rules will be despatched to the Shareholders and published on the above websites on or before 31 July 2019.

## APPRECIATION

I would like to take this opportunity to thank all of our customers, shareholders and business associates for their confidence and support to the Group. To all of our employees, I appreciate your hard work, dedication and commitment over the year.

By order of the Board
**DINGYI GROUP INVESTMENT LIMITED**
**LI Kwong Yuk**
*Chairman and Executive Director*

Hong Kong, 28 June 2019

*As at the date of this announcement, the Board comprises Mr. LI Kwong Yuk (Chairman), Mr. SU Xiaonong (Chief Executive Officer), Mr. ZHENG Xiantao, Dr. WANG Zhi and Mr. LI Zhongxia as Executive Directors; and Mr. CHOW Shiu Ki, Mr. CAO Kuangyu and Mr. IP Chi Wai as Independent Non-executive Directors.*